

**HARMON RANCH HOMEOWNERS ASSOCIATION
BOARD OF DIRECTORS MEETING MINUTES
OPEN SESSION
February 3, 2004**

A meeting of the Harmon Ranch Homeowners Association Board of Directors was held on February 3, 2004, at the office of Lepin and Renehan Management, Inc. at 6:30 p.m.

In attendance: Brendan Busse, David Goode, Scott Friedson, April Coleman and Gina Larsen of Lepin and Renehan Management, Inc. Kevin Ringer was absent. Guests in attendance: None. The meeting was called to order at 6:31 p.m.

After due discussion and upon motion duly made, the following resolutions were unanimously passed unless otherwise indicated:

Resolved: To elect the Officers of the Board of Directors as follows:

- Brendan Busse – President
- David Goode – Vice President
- Kevin Ringer – Treasurer
- April Coleman – Secretary

Resolved: To have April Coleman take and type the meeting minutes at all future meetings.

Discussion: Management advised that a basic format is available and would be emailed to April Coleman. Management also advised that when taking the minutes, the new secretary should try to stay with a resolution format and avoid putting the details of every discussion.

Resolved: To approve the minutes of the January 6, 2004, board meeting as written.

Resolved: To table the financial statements dated December 31, 2003, until the April 6, 2004, meeting.

Resolved: To deny approval of the Architectural Submittal received from the homeowner of Lot #91, due to an incomplete submittal. Send letter to the homeowner requesting they resubmit and supply a brochure/picture of the "canopies." The board is concerned with the height being over 9' (in view from neighboring properties).

Resolved: To hold a special meeting of the board of directors, without management, to discuss and vote on the choice of a website provider/administrator.

Resolved: To communicate with Rocco of KJM Landscaping Maintenance and inform him that the board has put together a new all-inclusive contract and that the board would like for him to review it and provide a bid 3 weeks from the date of the cover memo. He should also be advised that the board will either renew with KJM Landscaping Maintenance or choose another vendor on June 1st 2004.

Further

Resolved: To send a memo to contractors that have turned in a landscape bid letting them know that their bids will be revisited in April and requesting an extension on the bids, as written.

Resolved: To get tree trimming bids from 2 additional vendors.

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Further

Resolved: To invite Tree Doctors to attend the April 6, 2004, board meeting.

Resolved: To ratify the approval of the insurance renewal quote provided by The Mahoney Group at a cost of \$4,843.03 for property /liability/D&O coverage.

Further

Resolved: To get a quote from The Mahoney Group showing a \$2,500.00 deductible.

Resolved: To send the following response to the BBCAM complaint filed by the homeowner of Lot #141: The board has resolved to not proceed with mediation or arbitration and will not waive the monetary penalties attached to the homeowner's account.

Resolved: To table discussion of landscaping upgrades, to include lighting and granite installation, until the April 6, 2004, board meeting.

The next meeting is scheduled for April 6, 2004, at the offices of Lepin and Renehan Management.

There being no further business, the meeting was adjourned at 9:36 p.m.

Respectfully submitted,

Gina Larsen
Acting Secretary

Brendan Busse
President

**HARMON RANCH HOMEOWNERS ASSOCIATION
BOARD OF DIRECTORS MEETING MINUTES
OPEN SESSION
January 6, 2004**

A meeting of the Harmon Ranch Homeowners Association Board of Directors was held on January 6, 2004, at the office of Lepin and Renehan Management, Inc. at 6:30 p.m.

In attendance: Brendan Busse, Kevin Ringer, David Goode, Virgil Heusinkveld and Gina Larsen of Lepin and Renehan Management, Inc. Rebecca McClain was absent. Guests in attendance: None. The meeting was called to order at 6:35 p.m.

After due discussion and upon motion duly made, the following resolutions were unanimously passed unless otherwise indicated:

Resolved: To approve the minutes of the November 4, 2003, board meeting as written.

Resolved: To accept the financial statements dated August 31, 2003, and September 30, 2003, October 31, 2003, and November 30, 2003, subject to audit.

Resolved: To continue evaluating the performance of KJM Landscaping Maintenance and re-address this issue at the April 6, 2004, board meeting, unless an emergency situation occurs prior to the February 3, 2004, board in which case the performance will be readdressed at that time. Kevin Ringer opposed this resolution.

Resolved: To send a letter to the homeowner of Lot #170 (Thomas) letting them know that the block fence on the property at 5143 W. Megan is the homeowner's responsibility. The Association has corresponded with the homeowner in the past and will continue to correspond with the homeowner regarding the maintenance of this wall, as needed. The Association does not go in and paint homeowner walls (nor conduct any other maintenance service that is the homeowner's responsibility) unless the homeowner remains in non-compliance for a long period of time and there is a drastic need for maintenance.

Further

Resolved: To have management verify if the block fence on the property at 5143 W. Megan has fallen into disrepair again and send a letter requesting it be brought into compliance, if appropriate.

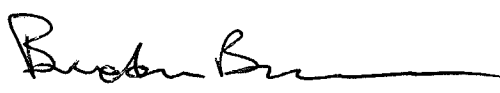
Resolved: To have management get bids from three (3) contractors (to include Tree Doctors) for the trimming of all trees and suggested removals/replacements and have them available for the February 3, 2004, board meeting.

The next meeting is scheduled for February 3, 2004, at the offices of Lepin and Renehan Management.

There being no further business, the meeting was adjourned at 8:13 p.m.

Respectfully submitted,


Gina Larsen
Acting Secretary


Brendan Busse
President

**HARMON RANCH HOMEOWNERS ASSOCIATION
BOARD OF DIRECTORS MEETING MINUTES
OPEN SESSION
November 4, 2003**

A meeting of the Harmon Ranch Homeowners Association Board of Directors was held on November 4, 2003, at the office of Lepin and Renehan Management, Inc. at 6:30 p.m.

In attendance: Brendan Busse, Rebecca McClain, David Goode, Virgil Heusinkveld and Gina Larsen of Lepin and Renehan Management, Inc. Kevin Ringer, Treasurer, was absent. The following homeowners/guests were in attendance: Doug Domke, D2 Web Design and Brian Sanders, Lot #22, (wife, Dinette and son). The meeting was called to order at 6:25 p.m.

Doug Domke of D2 Web Design gave a presentation to the board of directors about the services his company could offer regarding the set up and operation of an Association website. Mr. Domke left the meeting at 6:45 p.m.

Brian Sanders, Lot #22, gave a presentation to the board of directors about the services he could offer regarding set up and operation of an Association website. Mr. Sander's wife, Dinette, and son also attended the meeting. The Sanders family left the meeting at 7:07 p.m.

After due discussion and upon motion duly made, the following resolutions were unanimously passed unless otherwise indicated:

Resolved: To approve the minutes of the September 2, 2003, and October 7, 2003, board meeting as written.

Resolved: The financial statements dated August 31, 2003, and September 30, 2003, were tabled for discussion until the January 6, 2004, Board meeting.

Discussion: The Board discussed the possibility of having an Association website. Each member of the Board expressed their opinions as follows: David Goode – Opposed, but if done, needs to be at no cost; Rebecca McClain – Reservation because it is a large responsibility; Virgil Heusinkveld – Cost proposals received to-date sound expensive, but would be a great idea and needs to be professionally done; Brendan Busse – Great benefit for the community and potential homeowners, good communication tool for the Association to communicate with the homeowners and the homeowners to communicate with the management company.

Resolved: To take a vote whether the Board would like to continue to pursue an Association website at this time.

Resolved: To proceed with developing a website and obtaining a vendor to build a website.

Resolved: To have Rebecca McClain put together a timeline/task plan for development and implementation of the website.

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Resolved: To review the performance of the landscape maintenance company, KJM Maintenance, at the January 6, 2004 Board meeting.


David Goode left the meeting at 8:53 p.m.

The next meeting is scheduled for January 6, 2004, at the offices of Lepin and Renehan Management.

There being no further business, the meeting was adjourned at 9:06 p.m.

Respectfully submitted,


Gina Larsen
Acting Secretary


Brendan Busse
President

**HARMON RANCH HOMEOWNERS ASSOCIATION
BOARD OF DIRECTORS MEETING MINUTES
OPEN SESSION
October 7, 2003**

A meeting of the Harmon Ranch Homeowners Association Board of Directors was held on October 7, 2003, at the office of Lepin and Renehan Management, Inc. at 6:30 p.m.

In attendance: Brendan Busse, Rebecca McClain, David Goode, and Gina Larsen of Lepin and Renehan Management, Inc. The following homeowners/guests were in attendance: Dureen Jayaram, Lot #180 and Rocco Petrocco of KJM Maintenance. The meeting was called to order at 6:35 p.m.

Dureen Jayaram addressed the board of directors regarding a violation letter, with a monetary penalty of \$25, which he had received. The homeowner requested more detailed descriptions of violations in letters issued by the Association. The board told Mr. Jayaram that the matter would be discussed in further detail during the executive session of the board and he would receive a written response of the board's decision. Mr. Jayaram left the meeting at 6:50 p.m.

The board of directors discussed the performance level being given versus performance level expectations with Rocco Petrocco of KJM Maintenance. Mr. Petrocco left the meeting at 7:17 p.m.

After due discussion and upon motion duly made, the following resolutions were unanimously passed unless otherwise indicated:


- Resolved: To approve the minutes of the September 2, 2003, board meeting as written.
- Resolved: The financial statements dated August 31, 2003, were tabled for discussion until the November 4, 2003, Board meeting.
- Resolved: To approve the 2004 budget with the following changes: Landscape (Maintenance) \$36,000.00, Maintenance & Repairs \$600.00, Landscape Fertilizer (Supplies) \$0.00, Landscape Weed Control (Supplies) \$2,300.00, Landscape Renovation (Reserves) \$14,019.00. David Goode opposed because a portion of the cash-on-hand was distributed.
- Resolved: To have management get bids for landscaping services contract.
- Resolved: To have Arizona Maintenance Professionals (AMP) repair the section of stucco wall and wrought iron fencing on Ponderosa that had been damaged in the hit and run accident. The cost of repairs will be \$400.00.
- Resolved: To have Arizona Maintenance Professionals (AMP) repair the crack and paint the wall on the north east corner of Del Rio and Ponderosa at a cost of \$150.00.
- Resolved: To have Arizona Maintenance Professionals (AMP) replace the missing concrete border at the east end of Tract A for a cost of \$450.00.

The next meeting is scheduled for November 4, 2003, at the offices of Lepin and Renehan Management.

There being no further business, the meeting was adjourned at 8:48 p.m.

Respectfully submitted,


Gina Larsen
Acting Secretary


Brendan Busse
President

ADDENDUM TO THE MEETING MINUTES OF THE BOARD OF DIRECTORS

A meeting of the Board of Directors of Harmon Ranch Homeowners Association, an Arizona Corporation, was held at 7955 S. Priest Dr. #105 in Tempe , Arizona on Tuesday, October 7, 2003.

One of the purposes of the meeting was to discuss items concerning the 2004 Budget. After discussion and upon motion duly made and seconded, it was unanimously:

RESOLVED: To increase the annual approved assessment by the increase in CPI to \$457.93 per lot.

RESOLVED: To approve the attached budget at a reduced annual fee of \$420.00 per lot for a total of 243 lots. The assessment is to be collected in monthly increments of \$35.00 each in accordance with the legal documents.

RESOLVED: To reduce the 2004 assessment by \$2.00 per month if an owner pays the assessment in full in the amount of \$396.00 to be received by 1/31/04.

RESOLVED: To approve the attached narrative to accompany the Budget.

RESOLVED: To reaffirm the attached Assessment Collection Policy.

RESOLVED: To reaffirm the following Payment Plan Resolutions:

Payments made without benefit of a properly executed payment plan will not be construed as a payment plan and collection activity will be pursued in accordance with the Assessment Collection Policy.

Any payment plan which will bring the delinquent balance current within six months or less is automatically approved without review by the Board of Directors, provided the owners complete the Payment Plan Request and Agreement in its entirety and return it to the management company with the initial payment.

Until the Payment Plan Request and Agreement is completed in its entirety and returned to the management company with the initial payment, assessment collection will proceed according to the published Assessment Collection Policy.

If payment is not received as agreed upon in the Payment Plan Request and Agreement, action to collect delinquent assessments will

resume immediately in accordance with the published Assessment Collection Policy without notice to the delinquent owners.

Late fees as provided in the Assessment Collection Policy will not be charged during the term of the payment plan if payments are received in accordance with the Payment Plan Request and Agreement.

Verbal commitments from homeowners will not result in a suspension of collection activities.

- RESOLVED: To reaffirm all other existing accounting policies and procedures, which will remain in effect until changed by the Board of Directors at a later date.
- RESOLVED: To designate Reserve Interest to Landscape reserves at year end.
- RESOLVED: To designate \$6,850.00 of cash on hand to Painting/Structural reserves at year end.

**HARMON RANCH HOMEOWNERS ASSOCIATION
BOARD OF DIRECTORS MEETING MINUTES
OPEN SESSION
September 2, 2003**

A meeting of the Harmon Ranch Homeowners Association Board of Directors was held on September 2, 2003, at the office of Lepin and Renehan Management, Inc. at 6:30 p.m.

In attendance: Brendan Busse, Kevin Ringer, Rebecca McClain, David Goode, Virgil Heusinkveld and Gina Larsen of Lepin and Renehan Management, Inc. The following homeowners were in attendance: Sally Gatchel, Lot #113. Ms. Gatchel had an unnamed friend who also attended the meeting. Management advised the board president that Ms. Gatchel's friend is not a homeowner at Harmon Ranch and could be requested to leave the meeting. Ms. Gatchel's friend was allowed to stay for the meeting. The meeting was called to order at 6:31 p.m.

Sally Gatchel addressed the board of directors regarding a violation letter, with a monetary penalty of \$25, which she had received. The board told Ms. Gatchel that the matter would be discussed in further detail during the executive session of the board and she would receive a written response of the board's decision. Ms. Gatchel and her friend left the meeting at 6:45 p.m.

After due discussion and upon motion duly made, the following resolutions were unanimously passed unless otherwise indicated:

Resolved: To skip ahead in the agenda for the board meeting to section VIII, B. (Meeting Process/Board Behavior Expectations).

Discussion: Brendan Busse discussed board member conduct and the proper process for conducting a meeting with the remaining board members. Brendan stated that he had watched a video titled "Serving On The Board," which was provided by the management company and recommended the rest of the board watch this video. It was discussed that the board meetings should become more professional and that all members should be upholding to their responsibilities. Brendan opened the floor for comment by the remaining board members. Their comments were as follows: Virgil Heusinkveld stated he believed the CC&Rs must be enforced and quoted an article from the Arizona Republic, published on August 9, 2003. Kevin Ringer stated that the meetings should be run efficiently and the board should stay on track. Rebecca McClain stated that she agreed that the board should stay focused and make the most of the time that they are allotted for meetings, but should not fall short of goals on agenda because of watching the clock. David Goode stated that he agreed with all previous statements.

Resolved: To approve the minutes of the August 5, 2003, board meeting as written.

Resolved: To accept the financial statements dated July 31, 2003, and June 30, 2003, subject to audit.

**Harmon Ranch Homeowners Association
August Board Meeting
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Resolved: To increase the annual approved assessment by the proportioned amount that is equal to the CPI percentage for July 2002 through July 2003 for the 2004 budget. Rebecca McClain abstained.

Resolved: Reduce the assessment by \$2/month to \$33/month if the homeowners pay their full annual assessment for the 2004 budget year by January 31, 2004.

Notation: David Goode is requesting a reduction in the budget with all savings being passed on to the members of the Homeowners.

Resolved: To approve the attached 2004 Board Meeting Schedule with the inclusion of January 20, 2004, being designated as the annual meeting date.

Resolved: To table discussion of association website until October 7, 2003, board meeting.

Further

Resolved: To have Lepin and Renehan Management provide a proposal for website costs.

Resolved: To send a letter to Rocco Petrocco of KJM Maintenance inviting him to attend the October 7, 2003, board meeting

The next meeting is scheduled for October 7, 2003, at the offices of Lepin and Renehan Management.

There being no further business, the meeting was adjourned at 8:26 p.m.

Respectfully submitted,



Gina Larsen
Acting Secretary



Brendan Busse
President

**HARMON RANCH HOMEOWNERS ASSOCIATION
BOARD OF DIRECTORS MEETING MINUTES
OPEN SESSION
August 5, 2003**

A meeting of the Harmon Ranch Homeowners Association Board of Directors was held on Tuesday, August 5, 2003, at the office of Lepin and Renehan Management, Inc. at 6:30 p.m. In attendance: Brendan Busse, Kevin Ringer, David Goode, Virgil Heusinkveld and Gina Larsen of Lepin and Renehan Management, Inc. The following homeowners were in attendance: Zeigh Owensby, Lot #216 and Brian, Janet and Logan Sanders, Lot #22. The meeting was called to order at 6:32 p.m.

Brian Sanders spoke first regarding an association website. There was a handout given to the board and management with bids for the cost of setup and ongoing maintenance. The Board informed Mr. Sanders that they would be continuing the discussion and research regarding an association website and they would contact him and let him know of their final decision. Brian, Janet and Logan Sanders left the meeting at 6:50 p.m.

Zeigh Owensby addressed the board concerning CC&R Enforcement. Zeigh stated that he was there on behalf of approximately 9 (nine) of his fellow homeowners and proceeded to ask 12 (twelve) questions pertaining to enforcement of the CC&Rs. The board responded to all questions. Mr. Owensby left the meeting at 7:28 p.m.

After due discussion and upon motion duly made, the following resolutions were unanimously passed unless otherwise indicated:

Resolved: To approve the minutes of the June 3, 2003, board meeting as written.

Resolved: To accept the financial statements dated May 31, 2003, and June 30, 2003, subject to audit.

Resolved: To table discussion of the 2004 Budget until the September 2, 2003, board meeting. All board members should forward any questions/concerns to Brendan Busse and he will forward them to Gina Larsen who will forward them to the Accounting Administrator for answers.

Notation: David Goode is requesting a reduction in the budget due to reduction in the cost of landscape maintenance service as well as a reduction in water usage. He stated, "As a board that represents the Homeowners Association, all reductions and savings should be passed on to the members of the Homeowners Association and the board should stick to the basics of maintaining common areas."

Resolved: To have the homeowner of Lot #220 (Gossage) resubmit their architectural request and include the number of plants to be installed and indicate specific dimensions on their plot plan.

**Harmon Ranch Homeowners Association
August Board Meeting
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Further

Resolved: To have the architectural information received from the homeowner of Lot #220 sent to David Goode and David will coordinate approval with the remaining board members.

Resolved: To send a new letter to the homeowner of Lot #147 (Hemmerley) requesting they repaint their garage door so that it is covered completely and consistently and there are no patches of paint which are a different color.

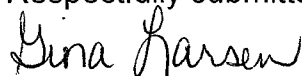
Discussion: The board discussed enforcement and that there is a need for the board to determine more specific guidelines on which to base inspections and enforcement.

Notation: David Goode stated that he is opposed to the spending of any Homeowners Association funds on a website, he wants to go back to basics as far as maintaining the Association, and he wants to find out how many homeowners have a computer in their home.

The next meeting is scheduled for September 2, 2003, at the offices of Lepin and Renehan Management.

There being no further business, the meeting was adjourned at 8:54 p.m.

Respectfully submitted,



Gina Larsen
Acting Secretary



Brendan Busse
President