
Sandpiper Resort Owner's Association | AGENDA

Date April 20, 2024 | *Time* 9:00 am | *Meeting location* Buckskin Fire Dept Meeting Room
(Please be aware that action may be taken on any item listed on this agenda)

ITEM 1.	Call to Order, Board Introductions	9:00 a.m.
ITEM 2.	Confirmation of new Secretary/Treasurer	9:05 a.m.
ITEM 3.	Approval of previous Meeting Minutes Jan 27, 2024	9:10 a.m.
ITEM 4.	Treasurer's Report	9:15 a.m.
ITEM 5.	Acceptance of Financials & Treasurer's Report	9:25 a.m.
ITEM 6.	President's information and Old Business: Landscaping & S.E. Corp. Roof Info Sewer Lines	9:30 a.m.
ITEM 7.	New Business: Discussion/Voting: Capital Improvement fee for new homeowners. Rental Information Requirement-AZ Law. Trash Area	10:00 a.m.
ITEM 8.	Owner Concerns or Comments	10:30 a.m.
ITEM 9.	Adjournment	11:00 a.m.
ITEM 10.	Executive Session – if necessary	11:05 a.m.

******Owners have the right an opportunity to address the Board during the meeting regarding matters on the agenda and then can address association concerns not on the agenda at the end of the meeting during the Owner Concerns or Comments section. Each member will be given 2 minutes to address the Board.**

******Agenda is subject to change, please check your e-mail or one of the Sandpiper websites 48 hours prior to the Board of Director's meeting for updates.**

SANDPIPER MEETING SCHEDULE

2024-2025

SATURDAY APRIL 20, 2024

9AM

BUCKSKIN FIRE DEPARTMENT TRAINING/MEETING ROOM

SATURDAY JULY 20, 2024

9AM

BUCKSKIN FIRE DEPARTMENT TRAINING/MEETING ROOM

SATURDAY OCTOBER 19, 2024

9AM

BUCKSKIN FIRE DEPARTMENT TRAINING/MEETING ROOM

SATURDAY JANUARY 18, 2025

9AM

BUCKSKIN FIRE DEPARTMENT TRAINING/MEETING ROOM

SANDPIPER BOARD OF DIRECTORS QUARTERLY MEETING

April 20, 2024

PRESIDENTS REPORT

All of the Wells Fargo accounts have been closed and moved to Citizens Bank. Jackie will complete setting up our accounts. The management company will be in charge of all payments to vendors or anyone else who needs repayment. No one on the Board will have a credit card or need to provide double signatures on checks because they will be handling all of our money. Once things are settled, Jackie will make some financial recommendations for us.

Rick Cheetwood has settled in nicely and has been doing a great job. He will start monitoring parking violations by tagging and towing cars that are not using the parking permit hang tags. Karl will also be monitoring parking violators.

Cory's Landscaping was hired and they have been working to fix some broken valves, guncked up diaphragms, weed killing, and replacement of sprinkler heads. It was determined that we used to do a preventative pre-emergent weed killer in the fall, but due to non-professionals on the job, this was not taken care of. This will be scheduled for October or November this year to mitigate our weed problem.

The assessment passed and we are still working to get funds from S.E. Corp for the damage they did to our property. The company that is going to finish the landscaping wanted to do everything at the same time, so we will be waiting for him to return in October. By then we should have all of the assessment money in and hopefully the funds from S.E. Corp. While it is not what we wanted as far as timing, it will give us time to plan and prepare rather than rush the job.

If all of you went through the paperwork that was sent for the meeting, you read about our financial situation. This is not a recent occurrence, but rather one that has taken years to develop. Past boards who refused to make set asides for known issues, spending on unnecessary items, not looking at long term needs and consequences, lack of will to inform the homeowners and shortsighted leadership that did not make difficult but necessary decisions to raise dues or plan for assessments.

As a Board, the very last thing we want to do is sit up hear and continue to harp on our financial situation, but, it is our fiduciary duty to inform you of the state of your investment and the requirements needed for it to hold and appreciate value over time.

The roofs were inspected and each roof was photographed and repair work quoted. Most of the repair work is for code upgrades. There were a few units that could use underlayment but the cost to do all of the recommended repairs does not make financial sense for us without doing underlayment. If we spend the money on the code upgrades, we will still need to replace the underlayment in 2 years. Total cost of the lift and replace underlayment and bringing our roofs to code (minus fascia board repair or replacement as needed) was quoted at \$175,013.31 and the cost of the repair work is \$135,439.42. A \$40,000 difference that does not take care of the situation for the next 20 years makes no sense.

A letter was sent to Buckskin Sanitation to ask if they would be willing to inspect our sewer lines to see if they would be able to take them over from Sandpiper. Buckskin cleaned out our lines for us for free. Apparently this is supposed to be done every 2 to 3 years. To my knowledge, this has never been done. It was reported that we have 9 manholes in various conditions and some other issues that would preclude them from taking over our lines until we paid for upgrades. So everyone is aware, all of the sewage from river legacy and any new building they create will flow directly through our sewer lines. River Legacy may not be responsible for paying to repair or maintain our sewer lines, this would involve checking with an attorney to see how the easement was set up.

The retaining wall by the trash cans was hit and damaged again despite the reflectors all over it. We know who did it and they will be paying for the repair. We have been getting quotes and the job should be started shortly.

SANDPIPER HOA COMMON FINANCIAL RESPONSIBILITIES:

The HOA owns the following items and is charged with maintaining, repairing, and replacing them (in brief):

Roofs

Exterior Stucco & Trim

Streets

Sewer System

Pool Complex

Parking Areas

Trash Area

Street Lighting

All Common Areas/Landscaping

Our Reserve Study done in 2006 recommended that we have by 2024: \$522,555.00 in our Reserve Account to pay for the items listed above over time. We currently have \$62,000.00 in our Reserve Account.

The original construction of this community was completed in 1982 and the units were rented out as apartments until 2003. The units were sold in 2003 and the Association was turned over to a homeowner controlled board in January 2004.

The January 2004 Reserve Fund Balance was \$18,343.41

In 2006, the reserve study recommended monthly dues of \$601.00 per unit to fund and maintain the Reserve Account. It also recommended an annual dues increase of 3% to keep up with inflation and the anticipated rising costs of work & materials. The reserve study recommended that the association place \$23,000.00 per month into the reserve account for anticipated maintenance, repairs and replacements of community assets to be used on a regularly scheduled basis through the years. Each year has an amount of expected expenditures and which item are due to be maintained, repaired or replaced.

Our current budget is set at a monthly contribution of \$2100.00, for a yearly total of just over \$25,000.00. At our current rate, we will reach \$525,000.00 in 18.5 years. Until that time, we will all need to figure out how we are going to pay for maintaining, repairing, and replacing the above items to maintain insurance compliance and the value of our homes and community.

Voting Question: **CAPITAL CONTRIBUTION FEE**

Motion: Shall the Board vote to approve moving forward with an amendment to the CC&R's for a "New Owner" Capital Contribution Fee?

Reasoning:

To add monies to our Reserve Account upon the sale of a unit. The new owner would pay the agreed upon amount. This would require a CC&R Amendment that would require a 2/3 positive vote to pass and would cost the association approximately \$500.00 to \$750.00 in legal fees to have the amendment written up, received and then filed with the County if passed.

Note:

Please review the above motion thoroughly. There will be an opportunity to amend or make other recommendations prior to the vote. Any amendments to the original document will be read back to the assembled for accuracy, then the amended document will be voted on first by the assembled HOA members to make their position clear to the Board, then the Board will vote to pass or fail.

ATTACHMENTS: 1

FOR YOUR RECORDS:

YOUR OPINION:

YES

NO

Capital Contributions for HOAs

It happens any time you decide to buy a home or condo – you get hit with hundreds of pages of paperwork to fill out and a series of closing costs that can leave you scratching your head. Some of the fees are quite straightforward – like the fee to pay your real estate agent – but some are less clear.

When you buy a home in an HOA, there are several common fees new owners are required to pay. One of the most common fees is a capital contribution fee.

No one likes to pay a fee without good reason – that's why many new HOA members do a double-take when they see the words "capital contribution" included on their initial fee list.

What is Capital Contribution?

Sometimes referred to as a transfer fee, a new owner fee, or a working contribution fee, a capital contribution fee is defined as "an amount of money or assets given to a business or partnership by one of the owners or partners." In other words, when you buy a home in an association, your capital contribution fee provides you equity (or gives you shares) within the HOA.

The good news is that many HOAs only ask their membership to pay the capital contribution fee only once in an HOA's life, which is when the developer turn association control over to the members of the association.

However, some governing documents do specify that an additional contribution is due whenever a condo or home within the association is sold to a new owner. While we know it can be aggravating to have to pay *one more* fee on top of all your other closing costs, requiring capital contributions from new members is very common and a completely legal way for the association to add funds to their reserve fund.

What is a Reserve fund?

An HOA reserve fund is basically the association's equivalent of a personal savings account. Since the association is a business and likely has amenities and other maintenance costs, those maintenance and repair costs are usually spread out over the course of several years (or even many years, depending on the repair in question).

The HOA is supposed to make specific contributions each year as a way of keeping the reserve fund up to date and to also match the recommendations found within the association's reserve study.

The reserve study is the association's "long-range capital planning tool that helps boards anticipate and prepare for the repair and replacement of their community's common assets." In order to determine the upcoming repair and replacement needs, a reserve study specialist comes every few years, measures the items the community is responsible for maintaining, and determines when they will need to be replaced.

This allows the community to avoid most, if not all, special assessments, since the money in a well-managed HOA should be there for upcoming improvements in most instances.

As a new owner, the capital contributions fee will be used as a way to keep up the reserve fund up to federal standards.

How are HOA finances regulated?

While HOA financial regulations vary depending on the circumstance in question and on state and local ordinances, there are some federal protections offered that are required by all HOAs. While explaining each of those requirements is beyond the scope of this article, one of the requirements does have to do with capital contributions specifically.

In order to protect the homeowners' financial investments, the federal government requires HOAs to have reserve funds. The Federal Housing Association (FHA) requires that HOAs maintain, at minimum, an adequate reserve on deposit, including enough funds to cover all insurance deductibles, as well as the needed repairs and replacements for two years.

Capital contributions continually maintain the minimum amount for the association's reserve funds and may help pay for the future maintenance of buildings, shared common spaces, amenities, and other costly improvements. As an added bonus, keeping the reserve fund amount high through the capital contribution fee usually means a lower annual assessment fee for the owners.

How Much Will I Pay?

It's hard to give an exact number of what fee amount is reasonable because each HOA is different in size, age, state of upkeep, and state and local statutes can also affect the required capital contribution fee. A good rule of thumb is to expect your capital contributions fee to be about two to three times the amount of your HOA dues. The fee can fluctuate greatly from association to association.

While the fees are rarely fun to pay, the capital contribution fee is one of the best ways for the association to maintain and improve their owners' quality of living.

Sandpiper Resort Owner’s Association | MINUTES

APPROVED VERSION

Date April 20, 2024 | *Time* 9:12 am | *Meeting location* Boating and Safety Center

Meeting called by	Sandpiper Board	ATTENDEES:
Type of meeting	Quarterly Meeting	#02 Audrey von Zabern
Facilitator	Karl Copenhaver	#9 Cindy Casey
Recording Secretary	Audrey von Zabern	#13 Geraldine Ozio
		#45 Kelly Cheetwood
President	Audrey von Zabern	#46 Don/Kathy Piazza
Vice President	Karl Copenhaver	#51 Diana Rose
Sec/Treasurer	Diana Rose	#55 Karl Copenhaver
		#56 Diana Rose

ZOOM ATTENDEES:

NONE

All Board Members – present, Meeting called to order at 9:00 am.

Laura Hudson sold her unit and resigned from the Board. Diana Rose volunteered to take over as Secretary Treasurer for the remainder of Laura’s term. An Action Without a Meeting was taken by the Board to approve Diana’s tenure.

A motion was made to confirm the Boards Action without a Meeting to install Diana Rose as Secretary Treasurer to the remainder of the term.

2nd, Karl Copenhaver
Motion passed unanimously by the Board

A motion was made to waive the reading of the previous meeting minutes from the January 27, 2024 meeting with no corrections noted |

2nd, Karl Copenhaver

Motion passed unanimously by the Board

The Treasurer's report not provided |

Sandpiper's accounts are in transit with Desert Realty Management to the new Citizen Bank accounts. All funds have been transferred, but the reports are being adjusted to match our budget and the Board wants to review the statements for accuracy before releasing the financial statements to the community for review. No Board member will have an ATM card or credit card. All expenses will be paid by check or EFT by Desert Realty Management. All bills are now being forwarded to the management company and they are the contact now for all vendors.

Presidents Report |

Rick Cheetwood has settled in nicely and has been doing a great job. He will start monitoring parking violations by tagging and towing cars that are not using the parking permit hang tags. Karl will also be monitoring parking violators.

Cory's Landscaping was hired and they have been working to fix some broken valves, guncked up diaphragms, weed killing, and replacement of sprinkler heads. It was determined that we used to do a preventative pre-emergent weed killer in the fall, but due to non-professionals on the job, this was not taken care of. This will be scheduled for October or November this year to mitigate our weed problem.

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paying to repair or maintain our sewer lines, this would involve checking with an attorney to see how the easement was set up when the time comes.

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New Business & Voting Items |

Motions were made and a second was given to discuss and then vote on the following items:

- 1) Capital Improvement fee for new homeowners.
Discussed with attendees but tabled due to too few homeowners at the meeting.
- 2) Rental Information Requirement – AZ Law
Arizona State Law requires that all homeowners renting their property provide basic information about their renters to the HOA Management Company. If you have renters, please fill out the form ASAP and return it to Desert Realty Management. If you need a form please e-mail your request to:
sbaer@desertmgmt.com
- 3) Trash Area
Discussion: The wall was hit again. It will be repaired and additional reflectors and painting will be used to make it more visually obvious.

Owners Concerns & Comments – Call to the Public |

No new comments

A motion was made to adjourn the meeting |

2nd Karl Copenhaver
Motion passed unanimously by the Board.

Meeting adjourned at 10:40 am

Action items	Person responsible	Deadline
Topic 1	Presenter Name	Date time
Discuss Capital Improvement Fund at next Meeting for more input	Audrey von Zabern	ASAP Meeting time

Action items	Person responsible	Deadline
Topic 2	Presenter Name	Date time
S.E. Corp damage reimbursement	Karl Copenhaver	ASAP
		Meeting time

Observers Name(s)

Special Notes:

None

Quarterly Meeting of the Sandpiper HOA Board of Directors:

Saturday July 20, 2024

9 am

Buckskin Fire Department

Meeting & Training Room

Riverside Drive

Quarterly Meeting of the Sandpiper HOA Board of Directors:

Saturday October 19, 2024

9 am

Buckskin Fire Department

Meeting & Training Room

Riverside Drive

Annual Meeting of the Sandpiper HOA Board of Directors and Quarterly Meeting:

Saturday January 18, 2025

9 am

Buckskin Fire Department

Meeting & Training Room

Riverside Drive