

**THE VILLAGES AT QUEEN CREEK HOMEOWNERS ASSOCIATION**  
**Board of Directors Meeting – Open Session**  
**Thursday, October 27, 2011 - 7:00PM**  
**Agenda**

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- I. Call to Order/Introductions**
- II. Open Homeowner Forum**
  - *Homeowners will also be given the opportunity to discuss each agenda item prior to Board decision.*
- III. Review and Approval of Previous Meeting Minutes**
  - September 29, 2011
- IV. Treasurer's Report**
  - Accrual Accounting vs. Cash Accounting (*Discussion w/ Christina Vaaler, Staff Accountant, AAM*)
  - September 2011 Financial Report
- V. Committee Reports**
  - Architectural Committee
  - Budget/Finance Committee
    - October 19, 2011 Meeting Minutes
- VI. Contract Reports**
  - Landscape Report - H&N
  - Management Report - AAM
- VII. Unfinished Business**
  - *Any unfinished business?*
- VIII. New Business**
  - 2012 Proposed Budget
  - 2012 Insurance Renewal
  - Shade Industries Change Order - *Ratify Emergency Approval*
  - Temporary Fence for Pool Project - *Ratify Emergency Approval*
  - Concrete Removal for Irrigation Repairs - Proposal from H&N Landscape
  - Entrance Gate by Golf Restaurant - Replace Existing Fence  
*Ratify Emergency Approval of Proposal from Sun King Fencing*
  - \$2,000 savings from Pool Furniture Budget, Utilize on Clubhouse Furniture?
  - Homeowner Request for Clubhouse Meeting Room for Wine/Beer Tasting Fundraiser Event
  - *Any other new business?*
- IX. Adjournment**

**The Villages at Queen Creek Homeowners Association  
Board of Directors Meeting**

**The Villages at Queen Creek Clubhouse - 21515 E. Village Loop Road, Queen Creek, AZ 85242  
September 29, 2011**

**1. Call to Order**

- Vice President Larry Murphy called the meeting to order at 7:01 p.m. Also in attendance: Bruce Ervans, Treasurer ; Sharron Owen, Secretary; Brett Ferguson, Director ; Cindy Anderson, Community Manager, AAM. Board Members Absent: Bill Lehman, President

**2. Open Homeowner Forum**

- Discussion took place regarding the following
  - Dedicated pool hours for adult swimming only
  - Dead tree replacements
  - Homeowner/golf course view fence maintenance responsibility
  - Accounting methods
  - Roundabouts & speeding in the community
  - Parking regulations
  - Potential traffic light addition on Village Loop & Rittenhouse (by Taladera section)
  - Pool heating months - Bruce made a motion to add the month of February for pool heating. Brett seconded the motion. The motion carried.
- Homeowners were also given the opportunity to discuss each agenda item prior to Board decision.

**3. Review & Approve Minutes – August 25, 2011**

- Bruce made a motion to approve the August 25, 2011 Open Session meeting minutes as presented. Brett seconded the motion. The motion carried.

**4. Treasurer's Report – August 2011**

- Bruce reviewed the August 2011 Financials which were also provided in the homeowner's meeting packets.
- Accrual Accounting vs. Cash Accounting - Without objection, the Board agreed to table this issue until the October meeting.

**5. Committee Reports**

- Architectural Committee
  - Architectural Committee member Lori Kuhuski reviewed the September 15, 2011 minutes.
  - Lori informed the Board of her resignation from the Architectural Committee. Bruce made a motion to appoint Dennis Lorbeske to the Architectural Committee as Dennis had previously volunteered when the Committee was full. Brett seconded the motion. The motion carried.
- Budget/Finance Committee
  - Bruce reviewed the September 21, 2011 minutes.

**6. Contract Reports**

- Landscape Report - H&N
  - Landscape Committee Chair Chris Baesen was in attendance and discussed some areas of concern. Tim Hassert and Austin Witzel from H&N Landscape were in attendance and gave the landscape update. Tim and Austin also answered questions and addressed concerns.
- Management Report & Amenities Improvement Update - AAM
  - Community Manager Cindy Anderson gave the Management Report and Amenities Improvement Update.

**7. Unfinished Business**

- Homeowner request for tree removal - *Independent Arborist Report*
  - An independent assessment of the trees in question was performed by ValleyCrest Tree Care Services. The

report found there to be no structural or biological problems with the trees and recommended that the trees be pruned over the next 6 to 8 months to maintain tree health. Bruce made a motion to have H&N Landscape aggressively prune the trees and re-assess them in 6 months. This information is to be communicated to the homeowner that requested tree removal. Brett seconded the motion. The motion carried.

- Horseshoe Pits (Taladera Park)  
Larry made a motion to table this item until January. Brett seconded the motion. The motion carried.
- Pool Shade Structure & Pump House Shade Structure (*Ratify Approval of Shade Industries Proposal*)  
Bruce made a motion to ratify the approval of the proposal from Shade Industries for \$16,566.00, which is to be paid from the Reserve account. Sharron seconded the motion. The motion carried.

## 8. New Business

- Additional Outlets Installation in Fitness Center & Outside Clubhouse (*Ratify Approval*)  
Bruce made a motion to ratify the approval of the work done by Mr. Sparky at a cost of \$1,317.11. Sharron seconded the motion. The motion carried.
- Clubhouse Entry - Repair & Stain Concrete Proposals  
Sharron made a motion to table this item until January. Bruce seconded the motion. The motion carried.
- Irrigation Replacement at Sierra Park and Rittenhouse Monument Planters Proposal  
Sharron made a motion to approve the proposal from H&N Landscape at a cost of \$639.78. Brett seconded the motion. The motion carried.
- Monument Solar Lighting Proposals  
Proposals were provided from Solar King and Touchstone Accent Lighting. Bruce made a motion to approve the proposal from Touchstone for \$4,851.56 to be paid from the Reserve account. Brett seconded the motion. The motion carried.
- Pool Upgrade Proposals (Shower, Tile, Cantilever Brick Border, Handrails)  
Bruce made a motion to approve the proposals from Raven Pools with the cost to be paid from the Reserve account (approximately \$9,185.00). Brett seconded the motion. The motion carried.
- Drywells Inspection Report & Cleaning Proposal  
Bruce made a motion to approve the proposal from Torrent Resources for \$3,386.50. Sharron seconded the motion. The motion carried. Cindy is also to follow up on yearly drywell inspections.
- Emergency Pump Motor Replacement  
A proposal from Advanced Pump & Control was provided along with back up documentation for replacing the 25hp motor, contactor and fuses at a cost of \$4,223.67. Bruce made a motion to approve the proposal, with the cost to be covered from the Reserve account. Brett seconded the motion. The motion carried.
- Security Clubhouse Closing - Temporary Coverage  
Bruce discussed the need for temporary coverage of the nightly security clubhouse closing and that Larry Murphy's son Ken Murphy has offered to fill in for this position.  
Brett made a motion to have Ken Murphy temporarily fill in for the nightly security clubhouse closing. Sharron seconded the motion. Larry abstained. The motion carried.

## 9. Adjournment

- There being no further business to discuss, Larry adjourned the meeting at 8:10 p.m.

Respectfully Submitted By,  
*Cindy Anderson*  
Cindy Anderson  
Recording Secretary  
For the Board of Directors  
The Villages at Queen Creek Homeowners Association

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327c Villages at Queen Creek Homeowner Association  
Balance Sheet  
09/30/2011

1600 W. Broadway Rd  
Suite 200  
Tempe AZ 85282

Acct #

ASSETS

	OPERATING FUNDS	
1100	Operating Checking	26,069.33
1103	Operating Savings	590.92
1120	Petty Cash	500.00
		-----
	TOTAL OPERATING FUNDS	27,160.25
	RESERVE FUNDS	
1150	Reserve Fund Savings	232,454.52
		-----
	TOTAL RESERVE FUNDS	232,454.52
	OTHER ASSETS	
1200	Accounts Receivable	280,427.16
1201	Less Reserve for Bad Debt	(268,554.98)
1250	Prepaid Expenses	21,500.00
1260	Prepaid Insurance	871.74
		-----
	TOTAL OTHER ASSETS	34,243.92
		-----
	TOTAL ASSETS	293,858.69
		=====

LIABILITIES

	LIABILITIES	
2001	Accounts Payable	2,222.98
2001.012	Collection Fees Payable	6,279.57
2003	Accrued Expenses	12,587.44
2005	Prepaid Assessments	104,178.26
		-----
	TOTAL LIABILITIES	125,268.25

EQUITY

3501	Members' Equity - Prior Years	103,228.30
	Current Year Surplus/(Deficit)	65,362.14
		-----
	TOTAL EQUITY	168,590.44
		-----
	TOTAL LIABILITIES & EQUITY	293,858.69
		=====

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3270 The Villages at Queen Creek Homeowners Associ  
Budget Comparison Statement  
09/30/2011

1600 W. Broadway Rd., Ste 200  
Tempe AZ 85282

Acct #	Description	Sep Actual	Sep Budget	Sep Variance	Jan-Sep Actual	Jan-Sep Budget	Jan-Sep Variance	Annual Budget
	INCOME							
4005	Assessments	66,362.76	66,105	258.26	595,711.62	594,941	771.12	793,254
4011.001	Satellite Association Assessme	1,571.00	1,571	0.01	14,138.94	14,139	0.03	18,852
4012	Builder Assessments	171.69	230	(58.67)	1,801.45	2,073	(271.79)	2,764
4020	Working Capital Fees	0.00	0	0.00	692.60	0	692.60	0
4026.01	Self Help	0.00	300	(300.00)	225.00	2,700	(2,475.00)	3,600
4090	CC&R Violation Fees	2,450.00	1,250	1,200.00	19,540.20	11,250	8,290.20	15,000
4106	Legal Fee Reimbursement	(95.00)	2,744	(2,839.00)	12,701.80	24,692	(11,990.20)	32,923
4106.003	Legal-Small Claims	0.00	1,625	(1,625.00)	181.65	14,625	(14,443.35)	19,500
4106.01	Legal Reimb - Demand	0.00	0	0.00	2,680.00	8,625	(5,945.00)	11,500
4106.02	Legal Reimb - Lien	0.00	0	0.00	1,927.24	4,050	(2,122.76)	5,400
4109	Gate/Key Income	150.00	100	50.00	1,625.00	900	725.00	1,200
4110	Late Charges	(208.00)	0	(208.00)	9,942.65	15,000	(5,057.35)	20,000
4111	Social Income	0.00	0	0.00	990.00	0	990.00	0
4125.001	HOA Transfer Fees	1,500.00	1,000	500.00	11,075.00	9,000	2,075.00	12,000
4126	Clubhouse Rental	150.00	100	50.00	2,320.00	900	1,420.00	1,200
4141	Insurance Claim Income	0.00	0	0.00	3,865.39	0	3,865.39	0
4145	NSF Fees Reimbursed	0.00	25	(25.00)	150.00	225	(75.00)	300
4145.01	SurePay Setup Fees	0.00	0	0.00	5.00	0	5.00	0
4165	Interest Income	6.32	13	(6.68)	94.10	117	(22.90)	156
4166	Other Income	0.00	0	0.00	1,002.24	0	1,002.24	0
4189	Transfer of Working Capital	0.00	0	0.00	(692.60)	0	(692.60)	0
4190	Transfers to Reserve Fund	(6,933.00)	(6,933)	0.00	(62,394.00)	(62,394)	0.00	(83,193)
	TOTAL INCOME	65,125.77	68,130	(3,004.08)	617,583.28	640,843	(23,259.37)	854,456
	EXPENSES							
	ADMINISTRATIVE							
5000.4190	Prior Year Expenses	0.00	0	0.00	0.00	1,400	1,400.00	1,400
5112	Meeting & Community	37.61	0	(37.61)	1,469.75	125	(1,344.75)	125
5113	Social Expense	0.00	0	0.00	861.62	600	(261.62)	800
5119	Bad Debt Expense-Assessments	0.00	0	0.00	6,400.00	9,600	3,200.00	12,800
5119.001	Bad Debt Expense-Other	0.00	83	83.00	412.00	742	330.00	991

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5119.002	Bad Debt Expense-Legal&Collect	0.00	2,705	2,705.00	13,525.00	24,345	10,820.00	32,460
5119.003	Bad Debt Expense-Late Fees/Vio	0.00	400	400.00	2,000.00	3,600	1,600.00	4,800
5119.004	Bad Debt - Benefited Assessmen	0.00	0	0.00	0.02	0	(0.02)	0
5119.005	Bad Debt Expense-Small Claims	0.00	0	0.00	1,840.00	0	(1,840.00)	0
5129.003	Card Reader Supply/Repair	122.05	0	(122.05)	781.05	800	18.95	800
5135	Postage & Copies	6,182.08	1,000	(5,182.08)	18,163.37	10,000	(8,163.37)	20,500
5136	Bank Charges	0.00	20	20.00	70.00	180	110.00	240
5136.02	SurePay Setup Fees	0.00	0	0.00	5.00	0	(5.00)	0
5142	Office Expense	322.84	254	(68.84)	2,088.17	2,286	197.83	3,048
5145	Newsletter Expense	0.00	0	0.00	0.00	1,200	1,200.00	1,600
5146	Mileage Reimb	75.00	41	(34.00)	104.20	368	263.80	490
5146.03	Mileage Reimbursement - Manage	87.22	20	(67.22)	342.51	180	(162.51)	240
5150	Reserve Study	625.00	0	(625.00)	1,250.00	2,000	750.00	2,000
5151	CPA Services	0.00	0	0.00	3,500.00	3,000	(500.00)	3,000
5153	Consulting Fees	0.00	0	0.00	0.00	3,000	3,000.00	3,000
5154	Website Expense	95.75	60	(35.75)	657.57	640	(17.57)	850
5156.20	Office Equipment	0.00	0	0.00	120.34	900	779.66	900
5159	Legal & Collection Fees	0.00	200	200.00	4,179.20	1,800	(2,379.20)	2,400
5159.001	Legal Fees-Collection	1,395.41	2,744	1,348.59	11,991.39	24,692	12,700.61	32,923
5159.01	Legal Fees - Demand	0.00	0	0.00	2,960.00	8,625	5,665.00	11,500
5159.02	Legal Fees - Lien	0.00	0	0.00	1,890.00	4,050	2,160.00	5,400
5159.03	Legal-Small Claims	0.00	1,625	1,625.00	0.00	14,625	14,625.00	19,500
5160	Insurance	534.86	1,252	717.14	10,499.40	11,268	768.60	15,024
5162	Income Taxes - State	0.00	0	0.00	45.00	50	5.00	50
5163	Property Taxes	0.00	0	0.00	0.00	0	0.00	60
5163.001	Water District Taxes	0.00	0	0.00	0.00	0	0.00	5,500
5165	Taxes, Licenses & Fees	0.00	0	0.00	280.00	235	(45.00)	235
TOTAL ADMINISTRATIVE		9,477.82	10,404	926.18	85,435.59	130,311	44,875.41	182,636
UTILITIES								
5205	Electricity	2,428.78	2,500	71.22	20,569.40	18,400	(2,169.40)	23,700

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Acct #	Description	Sep Actual	Sep Budget	Sep Variance	Jan-Sep Actual	Jan-Sep Budget	Jan-Sep Variance	Annual Budget
5210	Gas	46.75	50	3.25	2,918.57	3,500	581.43	6,000
5215	Water & Sewer	3,739.69	2,200	(1,539.69)	21,340.33	15,350	(5,990.33)	21,550
5225	Telephone	157.57	139	(18.57)	1,525.60	1,251	(274.60)	1,668
	TOTAL UTILITIES	6,372.79	4,889	(1,483.79)	46,353.90	38,501	(7,852.90)	52,918
	REPAIRS & MAINTENANCE							
5305	Common Area Maintenance	0.00	550	550.00	4,674.21	4,950	275.79	6,600
5306.01	Violation Monitor	0.00	1,455	1,455.00	3,698.51	13,745	10,046.49	18,110
5306.02	Parking Patrol	0.00	625	625.00	1,875.00	5,625	3,750.00	7,500
5306.40	Mail Box Repairs	0.00	210	210.00	583.98	1,870	1,286.02	2,500
5310	Pump Repairs & Maintenance	0.00	200	200.00	920.00	1,800	880.00	2,400
5312	Clubhouse Maintenance	1,406.11	300	(1,106.11)	6,587.32	2,700	(3,887.32)	3,600
5315.002	Gopher Control	0.00	165	165.00	843.96	1,485	641.04	1,980
5333	Rec Center Equip Repairs	0.00	166	166.00	871.36	1,494	622.64	1,992
5347	Security	0.00	0	0.00	2,719.00	0	(2,719.00)	0
5350	Backflow Inspection	0.00	0	0.00	651.50	500	(151.50)	500
5354	Arbor Care	0.00	750	750.00	3,442.77	6,750	3,307.23	9,000
5355	Landscape - Other	0.00	383	383.00	400.00	3,451	3,051.00	4,600
5356	Plant Replacement	0.00	1,200	1,200.00	18,234.57	8,600	(9,634.57)	10,000
5358	Tree Pruning	0.00	0	0.00	0.00	17,000	17,000.00	17,000
5360	Granite Replacement	0.00	0	0.00	5,105.04	0	(5,105.04)	19,000
5362	Drywell Maintenance	0.00	0	0.00	0.00	1,100	1,100.00	1,100
5366	Sprinkler Repairs	0.00	1,300	1,300.00	2,833.60	9,800	6,966.40	13,000
5370	Pool/Spa Repair/Maintenance	447.88	200	(247.88)	6,625.99	1,650	(4,975.99)	2,000
5374	Janitorial Supplies	25.00	100	75.00	510.67	750	239.33	900
5379	Winter Overseeding	10,663.00	0	(10,663.00)	10,663.00	0	(10,663.00)	13,000
5383	Access System Repair	0.00	100	100.00	530.58	900	369.42	1,200
	TOTAL REPAIRS & MAINTENANCE	12,541.99	7,704	(4,837.99)	71,771.06	84,170	12,398.94	135,982
	CONTRACT SERVICES							

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3270 The Villages at Queen Creek Homeowners Associ  
Budget Comparison Statement  
09/30/2011

1600 W. Broadway Rd., Ste 200  
Tempe AZ 85282

Acct #	Description	Sep Actual	Sep Budget	Sep Variance	Jan-Sep Actual	Jan-Sep Budget	Jan-Sep Variance	Annual Budget
5512	Security Monitoring	390.00	750	360.00	4,400.00	6,825	2,425.00	9,125
5515	Exterminating Contract	170.00	155	(15.00)	1,480.76	1,395	(85.76)	1,860
5522	Janitorial Contract	975.00	1,000	25.00	9,110.00	8,985	(125.00)	11,985
5525	Landscape Contract	21,500.00	23,307	1,807.00	200,246.53	209,763	9,516.47	279,684
5530	Management Contract	9,650.00	10,118	468.00	90,904.00	91,062	158.00	121,416
5531	Pump Maint Contract	450.00	650	200.00	900.00	1,950	1,050.00	2,600
5532	Pool/Spa Maintenance Contract	975.00	675	(300.00)	7,222.68	6,575	(647.68)	8,600
5539	Drainage Channel Maintenance	3,891.94	3,900	8.06	35,000.44	35,100	99.56	46,800
5554	Exercise Equipment Maint. Cont	70.87	70	(0.87)	637.51	637	(0.51)	850
	TOTAL CONTRACT SERVICES	38,072.81	40,625	2,552.19	349,901.92	362,292	12,390.08	482,920
	TOTAL EXPENSES	66,465.41	63,622	(2,843.41)	553,462.47	615,274	61,811.53	854,456
	CURRENT YEAR NET SURPLUS/(DEFI	(1,339.64)	4,508	(5,847.49)	64,120.81	25,569	38,552.16	0

10/05/2011  
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The Villages at Queen Creek Homeowners Association  
Reserve Statement  
09/30/2011

1600 W. Broadway Rd., Ste 200  
Tempe AZ 85282

Acct #	Description	Sep Actual	Sep Budget	Sep Variance	Jan-Sep Actual	Jan-Sep Budget	Jan-Sep Variance	Annual Budget
INCOME								
8165	Interest Income	115.65	13	102.65	1,174.54	117	1,057.54	156
8189	Transfer of Working Capital	0.00	0	0.00	692.60	0	692.60	0
8190	Transfers from Operating Fund	6,933.00	6,933	0.00	62,394.00	62,394	0.00	83,193
	TOTAL INCOME	7,048.65	6,946	102.65	64,261.14	62,511	1,750.14	83,349
EXPENSE								
9100	Capital Improvements	0.00	833	833.00	0.00	7,501	7,501.00	10,000
9103	Exercise Equipment	10,074.62	0	(10,074.62)	10,074.62	0	(10,074.62)	0
9115	Fence Replacement	5,980.12	0	(5,980.12)	5,980.12	0	(5,980.12)	0
9116.001	Carpet Replacement	2,695.86	0	(2,695.86)	2,695.86	0	(2,695.86)	0
9127	Monument Signs - Letters	3,570.56	0	(3,570.56)	3,570.56	0	(3,570.56)	0
9137	Pool Furniture	9,000.01	0	(9,000.01)	9,000.01	0	(9,000.01)	0
9142	Roof Repair	1,283.20	0	(1,283.20)	1,283.20	0	(1,283.20)	0
9172	Shade Structure/Ramada	9,283.00	0	(9,283.00)	9,283.00	0	(9,283.00)	0
9195	Pumps / Pump Station	0.00	0	0.00	8,237.07	0	(8,237.07)	0
9202	Pool Deck Repairs	9,790.93	0	(9,790.93)	9,790.93	0	(9,790.93)	0
9306	Pool-Replaster/Retile	6,306.25	0	(6,306.25)	6,306.25	0	(6,306.25)	0
	TOTAL EXPENSES	57,984.55	833	(57,151.55)	66,221.62	7,501	(58,720.62)	10,000
	CURRENT YEAR SURPLUS/ (DEFICIT)	(50,935.90)	6,113	(57,048.90)	(1,960.48)	55,010	(56,970.48)	73,349



## Budget MTD Variance Report

### 3270 The Villages at Queen Creek Homeowners Association

<u>Account</u>	<u>Description</u>	<u>MTD Actual</u>	<u>MTD Budget</u>	<u>Variance\$</u>	<u>Variance%</u>	<u>Reason for Variance</u>
<b>Income</b>						
4005	Assessments	\$ 66,362.76	\$ 66,104.50	\$ 258.26	0.4	
4011.001	Satellite Assessment	1,571.00	1,570.99	0.01	0.0	
4012	Builder Assessments	171.69	230.36	(58.67)	(25.5)	
4026.01	Self Help	0.00	300.00	(300.00)	(100.0)	Self Help fees are no longer charged/collected as H&N performs this service at no charge to the HOA.
4090	CC&R Violation Fees	2,450.00	1,250.00	1,200.00	96.0	Fees assessed to homeowner's accounts for infractions of the CC&Rs.
4106	Legal Fee Reimb	(95.00)	2,744.00	(2,839.00)	(103.5)	Waived attorney fee due to a duplicate posting error.
4106.003	Legal-Small Claims	0.00	1,625.00	(1,625.00)	(100.0)	The Board of Directors has suspended Small Claims collections.
4109	Gate/Key Income	150.00	100.00	50.00	50.0	6 replacement key-fobs sold to owners.
4110	Late Charges	(208.00)	(0.00)	(208.00)	100.0	Late charge courtesy waivers.
4125.001	HOA Transfer Fees	1,500.00	1,000.00	500.00	50.0	The Board established a Transfer Fee payable to the HOA for \$50 for each resale transaction.
4126	Clubhouse Rental	150.00	100.00	50.00	50.0	Non-resident meeting room rental fees paid to the HOA.
4145	NSF Fees Reimbursed	0.00	25.00	(25.00)	(100.0)	NSF Fees are applied to homeowner accounts for presenting insufficient funds when making a check payment. No NSF Fees were charged for the month.
4165	Interest Income	6.32	13.00	(6.68)	(51.4)	Interest earned on Operating account.
4190	Transfers to Reserve	(6,933.00)	(6,933.00)	0.00	0.0	
<b>Total Income:</b>		<u>\$ 65,125.77</u>	<u>\$ 68,129.85</u>	<u>\$ (3,004.08)</u>		

<u>Account</u>	<u>Description</u>	<u>MTD Actual</u>	<u>MTD Budget</u>	<u>Variance\$</u>	<u>Variance%</u>	<u>Reason for Variance</u>
<b>Administrative</b>						
5112	Meeting & Community	37.61	0.00	(37.61)	(100.0)	Water for committee meetings & Social Committee event planning lunch.
5119.001	Bad Debt-Other	(0.00)	83.00	83.00	100.0	As recommended in the 2010 Audit, an allowance for doubtful accounts was established. This offset the A/R. The monthly addition to the allowance for bad debts is no longer necessary.
5119.002	Bad Debt-Legal	(0.00)	2,705.00	2,705.00	100.0	As recommended in the 2010 Audit, an allowance for doubtful accounts was established. This offset the A/R. The monthly addition to the allowance for bad debts is no longer necessary.
5119.003	Bad Debt-Late/Vio	(0.00)	400.00	400.00	100.0	As recommended in the 2010 Audit, an allowance for doubtful accounts was established. This offset the A/R. The monthly addition to the allowance for bad debts is no longer necessary.
5129.003	Card Reader Supply	122.05	0.00	(122.05)	(100.0)	Two replacement battery packs for key-fob readers at entries.
5135	Postage & Copies	6,182.08	1,000.00	(5,182.08)	(518.2)	Violation letters, Architectural submittals, Manager's letters, Welcome Packets, Board packets, Late Reminders, Demand Letters & misc. printing. 4th quarter assessment mailing with 2 page newsletter insert. Annual meeting notice, nomination form & questionnaire. Event flyer and community reminders enclosure. Tenant reminders postcard.
5136	Bank Charges	(0.00)	20.00	20.00	100.0	No NSF fees from homeowner payments for August.
5142	Office Expense	322.84	254.00	(68.84)	(27.1)	Printer ink, office equipment, key copies & "Pool Closed" sign lamination.
5146	Mileage Reimb	75.00	41.00	(34.00)	(82.9)	Accrual for anticipated September Manager mileage.
5146.03	Mileage Reim-Manager	87.22	20.00	(67.22)	(336.1)	August Manager mileage reimbursement for violation/landscape inspections & pick ups/deliveries.
5150	Reserve Study	625.00	0.00	(625.00)	(100.0)	Remaining 50% balance due for Reserve Study Update. Initially budgeted for February.
5154	Website Expense	95.75	60.00	(35.75)	(59.6)	August & September website expense billed in September.
5159	Legal & Coll Fees	(0.00)	200.00	200.00	100.0	No attorney's opinions obtained for the month of September.
5159.001	Legal Fees-Collectn	1,395.41	2,744.00	1,348.59	49.1	Legal fees from the remaining accounts at Carpenter Hazlewood. Collection fees due to Paid In Full Collections for delinquent accounts that have been collected upon (35% of amount collected for current owner delinquent accounts & 45% for prior owner delinquent accounts).
5159.03	Legal-Small Claims	(0.00)	1,625.00	1,625.00	100.0	The Board of Directors has suspended Small Claims collections.
5160	Insurance	534.86	1,252.00	717.14	57.3	When the initial deposit was made in December 2010, it was spanned out over 12 months instead of just 4 months. The YTD amount will be correct at year end.
<b>Total Administrative:</b>		<u>\$ 9,477.82</u>	<u>\$ 10,404.00</u>	<u>\$ 926.18</u>		

<u>Account</u>	<u>Description</u>	<u>MTD Actual</u>	<u>MTD Budget</u>	<u>Variance\$</u>	<u>Variance%</u>	<u>Reason for Variance</u>
<b>Utilities</b>						
5205	Electricity	2,428.78	2,500.00	71.22	2.8	
5210	Gas	46.75	50.00	3.25	6.5	
5215	Water & Sewer	3,739.69	2,200.00	(1,539.69)	(70.0)	Based on prior years actuals, water was under-budgeted for 2011. There has also been additional trees installed which have increased the amount of landscape watering.
5225	Telephone	157.57	139.00	(18.57)	(13.4)	
	<b>Total Utilities:</b>	<u>\$ 6,372.79</u>	<u>\$ 4,889.00</u>	<u>\$ (1,483.79)</u>		
<b>Repairs &amp; Maintenance</b>						
5305	Common Area Maintena	(0.00)	550.00	550.00	100.0	No common area maintenance expenses for September.
5306.01	Violation Monitor	(0.00)	1,455.00	1,455.00	100.0	Compliance Coordinator position was eliminated.
5306.02	Parking Patrol	(0.00)	625.00	625.00	100.0	Parking patrol contract was terminated.
5306.40	Mail Box Repairs	(0.00)	210.00	210.00	100.0	No parcel box repairs necessary in September.
5310	Pump Repairs & Maint	(0.00)	200.00	200.00	100.0	No pump repairs or maintenance necessary in September.
5312	Clubhouse Maint	1,406.11	300.00	(1,106.11)	(368.7)	Electrician inspection of all clubhouse outlets and installation of additional outlets in the fitness center and outside of the clubhouse. Repair of wall and stucco on office stairs.
5315.002	Gopher Control	(0.00)	165.00	165.00	100.0	Gopher control is now included in the billing for the regular pest control.
5333	Rec Center Equip Rep	(0.00)	166.00	166.00	100.0	No fitness center equipment repairs in September.
5354	Arbor Care	(0.00)	750.00	750.00	100.0	Arbor care is now included in the new landscape maintenance contract.
5355	Landscape - Other	(0.00)	383.00	383.00	100.0	Typically used for Self Help clean-up and other charges. Clean-ups are now performed at no cost by H&N.
5356	Plant Replacement	(0.00)	1,200.00	1,200.00	100.0	No approved plant replacement for September.
5366	Sprinkler Repairs	(0.00)	1,300.00	1,300.00	100.0	Irrigation repairs are now included in the landscape maintenance contract.
5370	Pool/Spa RepairMaint	447.88	200.00	(247.88)	(123.9)	Pool filter sand change & algaecide for treatment of pool algae.
5374	Janitorial Supplies	25.00	100.00	75.00	75.0	Clubhouse janitorial supplies invoice not received in September.
5379	Winter Overseeding	10,663.00	0.00	(10,663.00)	(100.0)	Winter over-seeding invoice received in September, budgeted for October.
5383	Access System Repair	(0.00)	100.00	100.00	100.0	Key-fob system invoice not received from vendor as of 9/30.
	<b>Total Repairs &amp;</b>	<u>\$ 12,541.99</u>	<u>\$ 7,704.00</u>	<u>\$ (4,837.99)</u>		

<u>Account</u>	<u>Description</u>	<u>MTD Actual</u>	<u>MTD Budget</u>	<u>Variance\$</u>	<u>Variance%</u>	<u>Reason for Variance</u>
<b>Contract Services</b>						
5512	Security Monitoring	390.00	750.00	360.00	48.0	Security monitoring invoice not received in September. Accrual for anticipated amount. Security vendor charges less than budgeted.
5515	Exterminating Contra	170.00	155.00	(15.00)	(9.7)	
5522	Janitorial Contract	975.00	1,000.00	25.00	2.5	
5525	Landscape Contract	21,500.00	23,307.00	1,807.00	7.8	
5530	Management Contract	9,650.00	10,118.00	468.00	4.6	
5531	Pump Maint Contract	450.00	650.00	200.00	30.8	Anticipated amount over-budgeted for 2011.
5532	Pool/Spa Maint Contr	975.00	675.00	(300.00)	(44.4)	New vendor invoiced pro-rated August amount and September amount in September.
5539	Drainage Channel Mnt	3,891.94	3,900.00	8.06	0.2	
5554	Exercise Equip Cont	70.87	70.00	(0.87)	(1.2)	
<b>Total Contract Services:</b>		<u>\$ 38,072.81</u>	<u>\$ 40,625.00</u>	<u>\$ 2,552.19</u>		
<b>Total Expenses:</b>		<u>\$ 66,465.41</u>	<u>\$ 63,622.00</u>	<u>\$ (2,843.41)</u>		
<b>Net Surplus/Deficit:</b>		<u>\$ (1,339.64)</u>	<u>\$ 4,507.85</u>	<u>\$ (5,847.49)</u>		
<b>Reserve Income</b>						
8165	Interest Income	115.65	13.00	102.65	(789.6)	Interest earned on the Reserve account.
8190	Transfers from Opera	6,933.00	6,933.00	0.00	(0.0)	
<b>Total Reserve Income:</b>		<u>\$ 7,048.65</u>	<u>\$ 6,946.00</u>	<u>\$ 102.65</u>		
<b>Reserve Expenses</b>						
9100	Capital Improvements	(0.00)	833.00	833.00	100.0	No capital improvements approved by the Board.
9103	Exercise Equipment	10,074.62	0.00	(10,074.62)	(100.0)	Board approved Reserve expenditure.
9115	Fence Replacement	5,980.12	0.00	(5,980.12)	(100.0)	Board approved Reserve expenditure.
9116.001	Carpet Replacement	2,695.86	0.00	(2,695.86)	(100.0)	Board approved Reserve expenditure.
9127	Monument Signs/Ltrs	3,570.56	0.00	(3,570.56)	(100.0)	Board approved Reserve expenditure.
9137	Pool Furniture	9,000.01	0.00	(9,000.01)	(100.0)	Board approved Reserve expenditure.
9142	Roof Repair	1,283.20	0.00	(1,283.20)	(100.0)	Board approved Reserve expenditure.
9172	Shade Struct/Ramada	9,283.00	0.00	(9,283.00)	(100.0)	Board approved Reserve expenditure.
9202	Pool Deck Repairs	9,790.93	0.00	(9,790.93)	(100.0)	Board approved Reserve expenditure.
9306	Pool-Replaster/Retil	6,306.25	0.00	(6,306.25)	(100.0)	Board approved Reserve expenditure.
<b>Total Reserve Expenses:</b>		<u>\$ 57,984.55</u>	<u>\$ 833.00</u>	<u>\$ (57,151.55)</u>		
<b>Net Surplus/Deficit:</b>		<u>\$ (50,935.90)</u>	<u>\$ 6,113.00</u>	<u>\$ (57,048.90)</u>		



Report Date: 10/06/2011

Period Ending: 09/30/2011

## Budget YTD Variance Report

### 3270 The Villages at Queen Creek Homeowners Association

<u>Account</u>	<u>Description</u>	<u>YTD Actual</u>	<u>YTD Budget</u>	<u>\$ Variance</u>	<u>% Variance</u>	<u>Reason for Variance</u>
<b>Income</b>						
4005	Assessments	\$ 595,711.62	\$ 594,940.50	\$ 771.12	0.13 %	
4011.001	Satellite Assessment	14,138.94	14,138.91	0.03	0.00 %	
4012	Builder Assessments	1,801.45	2,073.24	(271.79)	(13.11) %	
4020	Working Capital Fees	692.60	(0.00)	692.60	100.00 %	1/6 of annual assessment collected at builder to homeowner closing. Four closings in Parcel 2 since December 2010.
4026.01	Self Help	225.00	2,700.00	(2,475.00)	(91.67) %	Self Help fees are no longer charged/collected as H&N performs this service at no charge to the HOA.
4090	CC&R Violation Fees	19,540.20	11,250.00	8,290.20	73.69 %	Fees assessed to homeowner's accounts for infractions of the CC&Rs.
4106	Legal Fee Reimb	12,701.80	24,692.00	(11,990.20)	(48.56) %	Collection fees (attorney Carpenter Hazlewood) assessed to homeowner accounts.
4106.003	Legal-Small Claims	181.65	14,625.00	(14,443.35)	(98.76) %	February - Small Claims fees reimbursed to the Association from delinquent homeowner. Board has suspended Small Claims.
4106.01	Legal Reimb - Demand	2,680.00	8,625.00	(5,945.00)	(68.93) %	Demand letters and Demand fees assessed to homeowner accounts prior to deferred collections.
4106.02	Legal Reimb - Lien	1,927.24	4,050.00	(2,122.76)	(52.41) %	Liens filed and lien fees assessed to homeowner accounts prior to deferred collections.
4109	Gate/Key Income	1,625.00	900.00	725.00	80.56 %	Additional and/or replacement key fobs purchased by homeowners.
4110	Late Charges	9,942.65	15,000.00	(5,057.35)	(33.72) %	Late charges assessed and paid for delinquent assessments.
4111	Social Income	990.00	(0.00)	990.00	100.00 %	Donations received from AAM, Brett Ferguson, ELS and vendors at the 4/30 Block Party. Non-resident website advertising fees.
4125.001	HOA Transfer Fees	11,075.00	9,000.00	2,075.00	23.06 %	The Board established a Transfer Fee payable to the HOA in the amount of \$50 for all resale transactions.
4126	Clubhouse Rental	2,320.00	900.00	1,420.00	157.78 %	Non-resident meeting room rental fees paid to the HOA.
4141	Insurance Claim Inc	3,865.39	(0.00)	3,865.39	100.00 %	Insurance funds received from claim filed for lost trees in the December 2010 storm.
4145	NSF Fees Reimbursed	150.00	225.00	(75.00)	(33.33) %	NSF Fees are applied to homeowner accounts for presenting insufficient funds when making a check payment.

4145.01	SurePay Setup Fees	5.00	(0.00)	5.00	100.00	%	As of the 3rd quarter assessment, monthly SurePay withdrawals for quarterly assessments became available. One time \$5 set up fee for this payment option which is paid to the HOA, then collected from the HOA by the management company.
4165	Interest Income	94.10	117.00	(22.90)	(19.57)	%	Interest earned on Operating account,
4166	Other Income	1,002.24	(0.00)	1,002.24	100.00	%	Reimbursement from Town of QC for park benches that were mistakenly removed from the common area and disposed of by the trash company.
4189	Transf of Wkg Cap	(692.60)	(0.00)	(692.60)	100.00	%	1/6 of annual assessment collected at builder to homeowner closing. Four closings in Parcel 2 since December 2010.
4190	Transfers to Reserve	(62,394.00)	(62,394.00)	0.00	0.00	%	
	<b>Total Income:</b>	\$ 617,583.28	\$ 640,842.65	\$ (23,259.37)			
<b>Administrative</b>							
5000.4190	Prior Year Expenses	(0.00)	1,400.00	1,400.00	100.00	%	No prior year expenses YTD.
5112	Meeting & Community	1,469.75	125.00	(1,344.75)	(1075.80)	%	Purchase of shade canopies, name badges, VQC polo shirts for community manager/Board/security and monthly Board meeting snacks and drinks.
5113	Social Expense	861.62	600.00	(261.62)	(43.60)	%	Bounce house rental and food/drinks for 4/30 Block Party.
5119	Bad Debt-Assessments	6,400.00	9,600.00	3,200.00	33.33	%	As recommended in the 2010 Audit, an allowance for doubtful accounts was established. This offset the A/R. The monthly addition to the allowance for bad debts is no longer necessary.
5119.001	Bad Debt-Other	412.00	742.00	330.00	44.47	%	As recommended in the 2010 Audit, an allowance for doubtful accounts was established. This offset the A/R. The monthly addition to the allowance for bad debts is no longer necessary.
5119.002	Bad Debt-Legal	13,525.00	24,345.00	10,820.00	44.44	%	As recommended in the 2010 Audit, an allowance for doubtful accounts was established. This offset the A/R. The monthly addition to the allowance for bad debts is no longer necessary.
5119.003	Bad Debt-Late/Vio	2,000.00	3,600.00	1,600.00	44.44	%	As recommended in the 2010 Audit, an allowance for doubtful accounts was established. This offset the A/R. The monthly addition to the allowance for bad debts is no longer necessary.
5119.004	Bad Debt-Benefited	0.02	0.00	(0.02)	(100.00)	%	2006 .02 cent balance Board approved write-off from an account in Rancho Del Rey (Satellite Parcel).
5119.005	Bad Debt-Small Claim	1,840.00	0.00	(1,840.00)	(100.00)	%	Board approved write off of account balances that included Small Claims Fees.
5129.003	Card Reader Supply	781.05	800.00	18.95	2.37	%	

5135	Postage & Copies	18,163.37	10,000.00	(8,163.37)	(81.63) %	Based on prior years actuals, this line item was under budgeted. Expenses include Board packets, Board books, violation letters, manager's letters, architectural submittal letters, assessment statement mailings, newsletter mailings, Fine Policy mailing and Collection Policy mailing. Annual meeting notice, nomination form & questionnaire. Event flyer and community reminders enclosure. Tenant reminders postcard.
5136	Bank Charges	70.00	180.00	110.00	61.11 %	NSF fees are charged to the Association by the bank, then applied to homeowner accounts for presenting insufficient funds when making a payment by check. Fees are only waived upon Board approval.
5136.02	SurePay Setup Fees	5.00	0.00	(5.00)	(100.00) %	As of the 3rd quarter assessment, monthly SurePay withdrawals for quarterly assessments became available. One time \$5 set up fee for this payment option which is paid to the HOA, then collected from the HOA by the management company.
5142	Office Expense	2,088.17	2,286.00	197.83	8.65 %	The cost for quarterly newsletters that are included in the statement mailings are billed to postage/copies. Pursuant to the new management contract, a 4 page double-sided newsletter is now included at no cost.
5145	Newsletter Expense	(0.00)	1,200.00	1,200.00	100.00 %	
5146	Mileage Reimb	104.20	368.00	263.80	71.68 %	Compliance Coordinator position eliminated.
5146.03	Mileage Reim-Manager	342.51	180.00	(162.51)	(90.28) %	Community Manager now performs all inspections. Violation inspections, landscape inspections, drop off's/pick up's & other HOA related errands.
5150	Reserve Study	1,250.00	2,000.00	750.00	37.50 %	Reserve Study Update cost came in under the budgeted amount.
5151	CPA Services	3,500.00	3,000.00	(500.00)	(16.67) %	2010 Audit preparation.
5153	Consulting Fees	(0.00)	3,000.00	3,000.00	100.00 %	No expense YTD.
5154	Website Expense	657.57	640.00	(17.57)	(2.75) %	Regular posting/updating to community website by outside vendor.
5156.20	Office Equipment	120.34	900.00	779.66	86.63 %	Keyboard, mouse & chair for HOA Office.
5159	Legal & Coll Fees	4,179.20	1,800.00	(2,379.20)	(132.18) %	Legal counsel regarding holding second attempt at Annual meeting. Legal counsel regarding Rancho Del Rey assessment issue.
5159.001	Legal Fees-Collectn	11,991.39	24,692.00	12,700.61	51.44 %	2011 Carpenter Hazlewood attorney collection fees for remaining accounts with their office. Collection fees due to Paid In Full Collections for delinquent accounts that have been collected upon (35% of amount collected for current owner delinquent accounts & 45% for prior owner delinquent accounts).

5159.01	Legal Fees - Demand	2,960.00	8,625.00	5,665.00	65.68 %	Demand fees assessed to homeowner accounts and billed to the Association prior to Deferred Collections Contract.
5159.02	Legal Fees - Lien	1,890.00	4,050.00	2,160.00	53.33 %	Lien fees assessed to homeowner and billed to the Association prior to deferred collections.
5159.03	Legal-Small Claims	(0.00)	14,625.00	14,625.00	100.00 %	Small Claims suspended by Board of Directors.
5160	Insurance	10,499.40	11,268.00	768.60	6.82 %	
5162	Income Taxes - State	45.00	50.00	5.00	10.00 %	
5165	Taxes, Licenses & Fe	280.00	235.00	(45.00)	(19.15) %	
<b>Total Administrative:</b>		<b>\$ 85,435.59</b>	<b>\$ 130,311.00</b>	<b>\$ 44,875.41</b>		
<b>Utilities</b>						
5205	Electricity	20,569.40	18,400.00	(2,169.40)	(11.79) %	
5210	Gas	2,918.57	3,500.00	581.43	16.61 %	
5215	Water & Sewer	21,340.33	15,350.00	(5,990.33)	(39.02) %	Water usage increased due to increased temperatures as well as the addition of 350 newly planted trees which required watering. Water was also under-budgeted for 2011 based on prior years actuals.
5225	Telephone	1,525.60	1,251.00	(274.60)	(21.95) %	Telephone under budgeted. Base monthly fee is \$139.49. Additional federal & state taxes & long distance carrier fee also apply.
<b>Total Utilities:</b>		<b>\$ 46,353.90</b>	<b>\$ 38,501.00</b>	<b>\$ (7,852.90)</b>		
<b>Repairs &amp; Maintenance</b>						
5305	Common Area Maintena	4,674.21	4,950.00	275.79	5.57 %	
5306.01	Violation Monitor	3,698.51	13,745.00	10,046.49	73.09 %	Violation monitor position eliminated in March 2011.
5306.02	Parking Patrol	1,875.00	5,625.00	3,750.00	66.67 %	Parking patrol contract terminated.
5306.40	Mail Box Repairs	583.98	1,870.00	1,286.02	68.77 %	Repair of several parcel boxes as reported by the USPS. Less repair work needed than anticipated.
5310	Pump Repairs & Maint	920.00	1,800.00	880.00	48.89 %	Wet well diver inspection & pump repair work. Less repair work needed than anticipated.
5312	Clubhouse Maint	6,587.32	2,700.00	(3,887.32)	(143.97) %	Clubhouse doors & air conditioner repairs. Air conditioning Comfort Contract, Biannual door maintenance contract, misc. repairs and maintenance by John Albert, meeting room carpet tiles and 3 replacement tables for broken ones in the meeting room. Security camera signage. Electrician inspection of all clubhouse outlets and installation of additional outlets in the fitness center and outside of the clubhouse. Repair of wall and stucco on office stairs.
5315.002	Gopher Control	843.96	1,485.00	641.04	43.17 %	With the new vendor, gopher control is now included in the billing for the regular pest control.
5333	Rec Center Equip Rep	871.36	1,494.00	622.64	41.68 %	Treadmill safety key replacement, weight machine cable repair/replacement & weight machine pivot arm repair/replacement. Less repair work needed than anticipated.

5347	Security	2,719.00	0.00	(2,719.00)	(100.00) %	Clubhouse/fitness center/pool security camera installation.
5350	Backflow Inspection	651.50	500.00	(151.50)	(30.30) %	Annual backflows inspections with some repairs.
5354	Arbor Care	3,442.77	6,750.00	3,307.23	49.00 %	Arbor care is now included in the landscape maintenance contract.
5355	Landscape - Other	400.00	3,451.00	3,051.00	88.41 %	Four Self Help clean-ups YTD prior to the no-charge service by Boy Scouts and H&N.
5356	Plant Replacement	18,234.57	8,600.00	(9,634.57)	(112.03) %	Total 700 trees replacement \$31,349.22, half completed in May. Clubhouse plant replacement in July.
5358	Tree Pruning	(0.00)	17,000.00	17,000.00	100.00 %	Tree pruning is now included in the landscape maintenance contract,
5360	Granite Replacement	5,105.04	0.00	(5,105.04)	(100.00) %	Clubhouse granite replacement.
5362	Drywell Maintenance	(0.00)	1,100.00	1,100.00	100.00 %	Drywell maintenance was approved at the September meeting and is tentatively scheduled for October.
5366	Sprinkler Repairs	2,833.60	9,800.00	6,966.40	71.09 %	Sprinkler repairs are now included in the landscape maintenance contract.
5370	Pool/Spa RepairMaint	6,625.99	1,650.00	(4,975.99)	(301.58) %	Increased chemical usage due to increased pool usage. Pool lights replacement & sand change. Storm & vandalism damage shock, clean up and repair. Power wash of the pool decking. Ladder steps replacement. Broken filter laterals sand clean-up.
5374	Janitorial Supplies	510.67	750.00	239.33	31.91 %	Paper products for the bathrooms, invoice not received for September yet.
5379	Winter Overseeding	10,663.00	0.00	(10,663.00)	(100.00) %	Winter over-seeding invoice received in September, budgeted for October.
5383	Access System Repair	530.58	900.00	369.42	41.05 %	Key-fob system service from January 1st to July 1st. Awaiting additional invoicing.
<b>Total Repairs &amp; Maintena</b>		<b>\$ 71,771.06</b>	<b>\$ 84,170.00</b>	<b>\$ 12,398.94</b>		
<b>Contract Services</b>						
5512	Security Monitoring	4,400.00	6,825.00	2,425.00	35.53 %	New vendor charges less than budgeted.
5515	Exterminating Contra	1,480.76	1,395.00	(85.76)	(6.15) %	
5522	Janitorial Contract	9,110.00	8,985.00	(125.00)	(1.39) %	
5525	Landscape Contract	200,246.53	209,763.00	9,516.47	4.54 %	
5530	Management Contract	90,904.00	91,062.00	158.00	0.17 %	
5531	Pump Maint Contract	900.00	1,950.00	1,050.00	53.85 %	Quarterly Preventative Maintenance has only been performed twice YTD since the vendor inspected the pump area when pump repair/replacement was completed in April. Also, contract cost is less than anticipated for 2011.
5532	Pool/Spa Maint Contr	7,222.68	6,575.00	(647.68)	(9.85) %	
5539	Drainage Channel Mnt	35,000.44	35,100.00	99.56	0.28 %	
5554	Exercise Equip Cont	637.51	637.00	(0.51)	(0.08) %	
<b>Total Contract Services:</b>		<b>\$ 349,901.92</b>	<b>\$ 362,292.00</b>	<b>\$ 12,390.08</b>		

# The Villages at Queen Creek Homeowners Association

## Budget/Finance Committee Meeting

Wednesday, October 19, 2011

1. Open Meeting  
Vice President Larry Murphy called the meeting to order at 5:46p. Treasurer Bruce Ervans, Community Manager Cindy Anderson and Insurance Broker Mike DiNino were also in attendance.
2. Special Guest Michael DiNino, Broker - LaBarre / Oksnee Insurance  
Review of Insurance Policies & Proposed 2012 Policy Options  
Mike reviewed the Association's current policy pricing along with 2012 renewal pricing and coverage. Mike provided coverage costs from additional insurance carriers. Mike also answered questions and addressed concerns about the Association's coverage. The Budget & Finance Committee recommends to the Board of Directors that the Association accept the renewal policy and retain the Worker's Compensation coverage at a cost of \$11,159.00 for the year.
3. Homeowner Forum  
There were no homeowners in attendance.
4. September 2011 Financial Review  
The September 2011 Financials were reviewed.
5. Final Review of 2012 Proposed Budget & Recommendation to Board of Directors  
The Proposed 2012 Budget & Narrative was reviewed. The Budget & Finance Committee recommends to the Board of Directors to approve the final draft of the 2012 Proposed Budget & Narrative.
6. New Business  
Next Meeting - Association Transfer Fee - Discussion and recommendation to Board of Directors.
7. Close Meeting  
There being no further business to discuss, Larry adjourned the meeting at 7:30p.

## Cindy Anderson

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**From:** austinwitzel@hnlandscape.com  
**Sent:** Tuesday, October 25, 2011 3:46 PM  
**To:** Cindy Anderson  
**Subject:** Villages @ QC report



### **Landscape & Maintenance**

Austin Witzel  
Maintenance supervisor  
(480)-388-6008  
[austinwitzel@hnlandscape.com](mailto:austinwitzel@hnlandscape.com)  
Villages @ Queen Creek

### **Maintenance-**

**Sept 30th:** The crew finished up week 1 and then took care of the park on East Village Loop rd and E Via Del Rancho.

**Oct 3rd-Oct 7th:** We were on and completed week 2 of the trim schedule for the parcels. The crew has also taken care of the view fences at the Hastings parcel.

**Oct 10th-Oct 14th:** The crew was on and completed week 3 of the parcel trim schedule. We have completely detailed Rittenhouse by getting all the trash and removing any weeds or eye soars.

**Oct 17th-Oct 21st:** The crew was on and completed week 4 of the parcel trim schedule. We have started on the loop in front of the clubhouse trimming all needed plants to even them out a little more before the winter to have a better jump start on renovations.

**Oct 24th-Oct 28th:** We are and will continue on week 5 of the parcel trim schedule. We will continue on the loop once done with week 5.

**Irrigation-**

We are still battling all the poly leaks in the parcels i have a feeling this has been and will be an on going battle. I will have a more detailed irrigation report by next meeting.

We are still waiting for the approval on the three leaks that we have to rip up the concrete for: 21351 E Via Del Rancho

23338 N 222nd St.

23250 N 222d St.

**Misc-**

Over-seeding has been completed we should start seeing germination in a week or so.

All the newly planted trees that did not make it will be replaced as early as Monday next week.

## MANAGEMENT REPORT



Prepared for the Board of Directors Meeting  
Thursday, September 29, 2011

### AAM, LLC Contact Information

Title	Name	Direct Line	Fax	Email Address
Community Manager	Cindy Anderson	480.987.0847	480.987.0851	canderson@aamaz.com
Administrative Assistant	Maria Courcey	602.906.4911	602.870.8231	mcourcey@aamaz.com
Area Manager / VP of East Valley Operations	Carla Helmstadter	602.906.4909	480.821.2334	chelmstadter@aamaz.com



**AAM EMERGENCY LINE: 866.553.8290 or 602.647.3034**

### Board of Directors Information

Name	Position	Term Expiration
Bill Lehman	<b>President</b> /Director	12/2011
Larry Murphy	<b>Vice President</b> /Director	12/2011
Sharron Owen	<b>Secretary</b> /Director	12/2011
Bruce Ervans	<b>Treasurer</b> /Director	12/2011
Brett Ferguson	Director	12/2011

### Management Update

- Completed the September 27, 2011 Open & Executive Session meeting minutes.
- Completed the September 2011 Financial variance reports.
- Attended the Budget/Finance Committee Meeting on October 19<sup>th</sup>.
- Completed the October 19<sup>th</sup> Budget/Finance Committee meeting minutes.
- Sent meeting reminders and Architectural submittals to the Committee for review.
- Scheduled all clubhouse meeting room reservations.
- Began key-fob suspension of delinquent and past owner accounts.
- Attended the Social Committee planning meeting on October 5<sup>th</sup>.
- Shopped several furniture stores with Sharron and made final selections for the clubhouse furniture.
- Attended "Budget Workshop" with Budget & Finance Committee member Bruce & Larry and together we finalized the 2012 Proposed Budget.
- Completed the 2012 Budget Narrative.
- Met and corresponded with all vendors relating to the on-going projects (pool, fencing, shade structure, monument signs).
- Communicated with Mike MacDonald & Austin Witzel from H&N daily regarding landscape maintenance concerns. Also forwarded all homeowner landscape concerns to Mike & Austin to address.
- Responded to all after-hours and weekend emergency calls that came through AAM's emergency line.
- Communicated with Webmaster Sandi Dale for several website updates.
- Sent meeting reminder e-blasts.
- Communicated with several homeowners on a daily basis via e-mail, phone and in person regarding various issues.
- Followed up on several homeowner concerns of violations in the community.
- Corresponded with Town of QC Code Compliance for lots with excessive violations.
- Performed 2 front yard and 1 rear yard violation inspections of the community.

## Highlights

- Reminder: "Our Thanksgiving" is on 11/12. Flyers and Vendor Applications available for pick up.
- The 25hp pump motor was replaced on 10/1.
- The pool deck/interior project began on 10/3 and is moving right along.
- The pool shade structure began on 10/17 with installation of the steel poles.
- The monument annuals and irrigation replacement took place on 10/20.
- The drywell maintenance and cleaning was done on 10/20. Torrent Resources will also be performing yearly drywell inspections at no cost.
- The monument signs were installed on 10/24 & 10/25.
- The pool fencing was installed on 10/25 & 10/26.
- The roof repairs are scheduled for 10/26.
- The fitness equipment is scheduled for delivery on Monday, 10/31. The Optima Series Dual Adjustable Pulley & the dumbbells are on back order and the ship date is scheduled for 11/11.
- The A/C duct work is scheduled for 11/2.
- The clubhouse furniture is scheduled for delivery on 11/9.
- Reminder: The pool will be closed for remodeling until 11/12.
- Reminder: The Fitness Center will be closed 10/30, 10/31, 11/1 & 11/2.
- Reminder: Annual Meeting on December 1<sup>st</sup>. Keep an eye out for ballots in the mail in the next couple weeks. Ballot Raffle prizes secured so far: 1-\$100 Visa or MasterCard Gift Card from H&N; 1-\$50 Visa or MasterCard Gift Card from ServeCor; 1-\$50 Visa or MasterCard Gift Card from Raven Pools; \$50 off an initial pest control service from JaxPro Pest Control and 10-two-somes of golf from the Las Colinas Golf Club. Additional raffle prizes are in the works.
- Please note, as of October 1, 2011 any account that is 90 days or more past due is subject to Clubhouse/Pool key-fob suspension. Key fobs of past owners will also be turned off.
- HOA office hours are now Monday, Wednesday & Friday, 9a-5p (lunch 11a-12n).
- If you would like to volunteer to be a part of a committee, please complete a volunteer form and forward to me.
- Please log onto [www.ourvatqc.com](http://www.ourvatqc.com) and sign up for Villages e-news. The website also contains a lot of useful information for homeowners and residents.
- If you have a business and would like to advertise on the community website, please contact me. The advertising page has been set up; it's titled "Local Businesses". Homeowners and residents may advertise their business free of charge. The charge is \$50 per year for a non-homeowner/resident.

Respectfully Submitted,

*Cindy Anderson*

Cindy Anderson

Community Manager

AAM, LLC