

SUMMARY OF HOMEOWNER REQUESTS

ADR SETTLEMENT CONFERENCE

Wednesday October 24, 2007

Honorable Judge Pro Tempore Michael J. Ryan

NOTE: The following Settlement Conference requests were solicited from AWHOA homeowners and collected via written, telephonic and e-mail submissions from 10/16/07-10/21/07. The purpose was to include homeowner input in the 10/24/07 Settlement Conference ordered by Judge Hicks in her decision of 8/20/07. Please keep in mind that some of these requests are beyond the scope of the Settlement Conference and will have to be mediated within the Apache Wells community in accordance with the governing documents.

AWHOA Board of Directors requests:

- AWHOA, Inc. and AWCC, Inc. are separate entities and shall remain separate entities in perpetuity. Any and all dealings between these two corporations will be made available to the AWHOA membership upon request.
- The rules of “open meetings” will be strictly enforced. No Board member(s) may be excluded from meetings where Association business is discussed and voted on.
- Complete and detailed minutes will be kept of all meetings. Audiotape backup is required with the Board secretary responsible for written and recorded minutes. Complete and accurate minutes to be published in the Roundup newspaper. During the summer months, minutes will be e-mailed to Association members and posted on the official bulletin board.
- Board members will strictly adhere to and/or enforce the AWHOA Bylaws, CC&R’s and Architectural Control Rules & Policy.
- Appointments made by the Board to special committees will maintain a ratio of 1/3 country club members to 2/3 non-country club members since AWCC members represent approximately 1/3 of the community population.
- During the monthly HOA meetings, the Open Forum will allow homeowners to speak to issues of concern. Reasonable time limits may be imposed. The 3x5 card requirement will be abandoned.
- Homeowners will have access to AWHOA media - Bulletin Boards/Roundup Newspaper, Newsletters, etc.
- An Opinions & Feedback section will be added to the Roundup newspaper.
- Board members will be held responsible for delinquent reports to the Arizona Corporation Commission, Maricopa County, State of Arizona and Federal Government.
- Board members and office staff will at all times show homeowners the respect they are entitled to. Homeowners in turn will show Board members and office staff the respect they are entitled to as elected officials, homeowners and as employees of the Association.
- The Summer Executive Committee will consist of duly elected Board members who are full-time residents.

AWHOA Financial Records, Reports and Budget requests:

- An outside audit of AWHOAs financial records 2000-present.
- An annual audit of financial records in the future.
- Homeowner access to all financial records as allowed by law.
- Accounting of all costs related to the \$8.5 million Community Center Project 2000-present.
- AWHOAs, Inc. attorney fees and costs to date (insurance carrier and budgeted).
- A detailed treasurer's report will be published in the Roundup newspaper each month. During the summer the report will be e-mailed to Association members and posted on the official bulletin board.
- Provide justification for the annual 10% increases in the general assessment.
- No more "\$100 gifts from the transfer fee" and "alleged bail-outs of restaurant" to AWCC.
- Association members will be allowed input on the annual budget and approval of the budget will be voted on by the membership.

AWHOA Bylaws, CC&R's and Architectural Control Rules & Policy requests:

- Revise and update Bylaws, CC&R's and Architectural Control Rules & Policy.
- Board must accept revisions and updates from homeowners, provided they are in the correct format and present them to the Association members for a vote as required and provided for in the current AWHOAs Bylaws.
- Major elections (Board of Directors, Special Assessments, etc.) will be conducted by Maricopa County Elections Department.
- Elections that are conducted by the AWHOAs and utilize absentee ballots will require a PO Box to receive mail-in ballots. Absentee ballots will be issued by request ONLY, not by a mass mailing. Early walk-in voting in the AWHOAs office will not be permitted.
- AWCC members will be limited to a maximum of 3 of the 9 seats on the AWHOAs Board of Directors since they represent approximately 1/3 of the community population. Procedure to be determined.
- Addition of a Bylaw that defines the responsibilities of the Election Committee and clearly outlines voting procedures.
- Strengthening of Bylaw relating to operating a business from a home in Apache Wells.
- Define transfer fee and its purpose as the fee for producing the paperwork for transferring property from seller to buyer.
- Reinstitution of a spending cap without a homeowner vote on the Board of Directors. Recommended cap to be determined.

AWHOA Documents requests relating to:

- Purchase of Bank/Cancer Fund Building in 2006.
- Minutes of all Board meetings since 1995.
- Bylaw changes for 1995 and 1998.
- 2005 Garbage Contract that saved homeowners \$749,000.
- Cancellation of Pool Contract that cost the Association \$9422.

- Detailed breakdown of where the \$8,500,000 Community Center Project cost came from.
- Communications between AWHOA, AWCC and CLRPC from 2000-present on the Community Center Project.
- Cancellation of the \$10,000 spending cap on the Board of Directors.

Awards and Damages requests for:

- SAW Attorney fees and costs.
- Neglect of fiduciary duty.
- Failure to produce documents.
- Concealment of documents.
- Restitution for expenses incurred by the \$8.5 million Community Center Project.
- February 2007 campaign tactics and election procedures.
- Conducting an illegal election.
- Denying homeowners a secret ballot.
- Intimidating members of the Election Committee and their tellers.
- Manipulating voting times to exclude members of the Association.
- Presenting skewed and misleading information.
- Election signs using the registered name Save Apache Wells and stating SAVE APACHE WELLS-VOTE YES to confuse homeowners.
- Mismanagement of Association funds.
- Allowing violations of the Architectural Control Rules & Policy by contractors.
- Use of Association media to demean, insult and intimidate homeowners opposed to the Board's agenda.

Miscellaneous requests:

- Sell or lease the Bank/Cancer Fund Building.
- Return to the old HOA office in the strip mall.
- Bring formal charges against current and former Board members for their actions.
- Recall the Board of Directors.
- A public apology published in the Roundup newspaper from the past and present AWHOA Board Presidents, AWCC Board President and Chairman of the Community Long Range Planning Committee.
- Restitution of Association funds used to appeal lower court decision on Transfer Fee.
- Replace current AWHOA office staff.
- AWHOA office staff must be resident owners in Apache Wells.
- AWHOA Office hours 8AM – 5:00PM and closed on 7 holidays.
- Eliminate special security for the summer months since it is a joke; kids having fun racing around in a golf cart. Expand AW Security Patrol.

Bob Teague, Website Editor
Save Apache Wells Committee
October 21, 2007