



CAT9 has maintained a \$100 per year annual dues assessment since being established in the 1970s. While expenses have increased, our annual dues have not. To enable CAT9 to have a sufficient operating budget for baseline expenses and to establish a reserve for neighborhood maintenance and improvements with a focus on our roads, the Board is proposing to increase annual dues to \$300 per year. This proposal will be presented during the June 14 Board meeting and again at the September and October Board meetings. The full proposal is attached to this newsletter. A summary is as follows:

- With the current annual dues amount, the projected income for 2021 is \$13,000.
- With the annual transfer of \$5,200 for basic road maintenance, the projected deficit for 2021 is \$2,235.

This proposal will go forward for a vote of CAT9 residents on the ballot for the annual Board member elections in November. Please support the Board's efforts to establish sufficient funding to maintain and improve our neighborhood and provide enough resources for governance and compliance management.

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- An increase of annual dues to \$300 per year would provide \$39,000 per year, providing an increase of approximately \$18,800 per year for road maintenance.
- The roads are due for resurfacing in 2036 for a projected cost of \$642,183.
- With the proposed increase in annual dues, the projected road reserve would be \$360,000 in 2036.
- While the projected road reserve will not cover the full cost of road resurfacing, it will substantially reduce the cost of a special assessment that may be necessary in 2036 to adequately maintain our roads.

Spotlight on our Neighbors

Larry Ivy is our CAT9 Board member serving as chairman of Roads and Landscaping where he assumed this appointment in December 2019. He has lived in our neighborhood going on 28 years this August with his lovely wife Ruth. You may have seen them walking our streets with Gabby (English Bulldog) and Ozzy (French Bulldog). Having spent 54 years of his life in Arizona and an additional 24 years in San Diego putting aside 4 of those years serving in our armed forces (United States Marine Corps) serving a tour in Vietnam. He believes as an American, it's his duty to assist others when he can and he enjoys meeting all whom come into contact with him.

Larry worked for the postal service in San Diego, Phoenix, and Tucson retiring in 1998. He enjoys many aspects of life with his wife from walking the neighborhood and county hiking trails, traveling within the Contiguous United States (CONUS) and a couple trips to Europe, hunting and golf.



Volunteering in Your Neighborhood

Roadside maintenance: Since the resignation of the CAT9 road landscaper in February 2021, Larry Ivy established a volunteer effort to maintain the vegetation along our roadsides with CAT9 residents. This has proven to be effective and enjoyable for those who have participated. Thanks go out to our volunteers, that include:

- **Bill Klaiber**
- **Babbette and Bob Halder**
- **Dick Bryant**
- **Susan Hawkins**
- **Dale Henderson**
- **Larry Ivy**
- **Ruth Feldman**
- **Teri Ellen**
- **Lisa Warneke**



With the exception of some professional services, the CAT9 HOA Association is administered with volunteers. We can always use more volunteers to help and improve our neighborhood. If you have an interest in volunteering, please reach out to a Board member. Some of the areas we could use help with include:

Website design

Roadside maintenance

Owner database

Architecture requests

Administration

Newsletter

Future Paving of Avenida de Posada

Thanks to Board member Larry Ivy, Pima County has put Avenida de Posada on the list of County-owned roads they intend to repave in the next fiscal year (July 2021—June 2022). As the county gets further into their repaving projects, impacted neighbors will be provided updated information from the county.

The condition of this road has been an issue for CAT9 for many years and Larry was successful at finding a cost-effective solution to paving for our community.



Graffiti Removed on the Calle Los Altos Road Culvert



Before

Thanks to CAT9 resident and Neighborhood Watch leader Tung Bui, the graffiti that has scarred the Calle Los Alto Road culvert for a long time has been removed by Pima County. Tung was also able to provide us with the appropriate contact with Pima Count to resolve any future graffiti issues we may have in the neighborhood.



After

Mistletoe Initiative

Mistletoe Removal

Since the Save our Trees Initiative started earlier this year, some residents have removed mistletoe from their properties. THANK YOU!! We still have a ways to go, however. If you still have a mistletoe problem, you may want to contact a service provider. Carlou Stubbs was pleased with the provider used to remove mistletoe from their property and is sharing the provider's contact information with the neighborhood: Q&T Services—520-444-0184. The owner's name is Chis.

Please do your part in maintaining a healthy environment for our trees.



Problem Area Along Calle Los Altos Road

Driveway Paving

Thinking about paving or repaving your driveway? Board member Joyce Su recently paved her driveway using Eagle-Tech, LLC. The Su's are very satisfied with their work. If you are thinking of paving your driveway, you may want to consider contacting this company. Their number is 520-867-2999.



Joyce Su with son Kodi Lатарola



Original Artwork of Kodi Lатарola

Protect Your Personal Information—Think Before You Click

This year many of us fell victim to internet hackers sending us fake emails, fake texts and fake websites. Phishing is the most common form of social engineering to steal your personal and financial information. Take a moment to think before you click, and to hover over the sender address and links rather than automatically respond. Here are some flags to watch for with phishing scams:

“Subject” line – is the subject line something **you never requested or** is irrelevant or meaningless?

“To” line – are you included on an email and you **do not know the other parties?**

“From” line – is the message coming from an **unknown sender when you hover over the sender address?**

Attachments – are there attachments that you **weren't expecting**?

Content – are you being asked to **take an action or send money?** Do the **fonts and text** look off, out of the ordinary, unexpected, uncomfortable, odd or illogical?

Hyperlinks – are there **misspellings** in the link or when you **hover over the link** and does it take you to an unknown site?

Think before you click! Does this email look right? Would this person send me a text or email like this? Are they asking for money? By clicking on the link or opening attachments, the internet scammer can gain access to your address book, passwords and other financial information. Be aware of these red flags to prevent further participating in an internet scheme and compromising your personal information.

Compliance Corner

The Board of Directors of the Catalina Foothills Estates No. 9 Association is committed to upholding the protective covenants for our community. These covenants have been recorded in the land records and agreed to by each purchaser of a lot in order to maintain and enhance property values. Covenant compliance also protects your investment and each of your neighbors' investment. As your elected representatives, the members of the Board have the responsibility to monitor compliance on the part of all lot owners, on all of the covenants and related rules. Once notified, owners are expected to take corrective action to comply with the covenants.

Why have I received a compliance notice? All observed or reported violations of the CCRs and association governing documents will be investigated and verified by a member of the Board of Directors. If you receive a compliance letter in the mail, keep in mind the importance of maintaining our agreed upon standards. You may not have been aware of the impact of your actions on your neighbors and the community, which is why the Board has the duty to monitor compliance.

How will I be notified? Upon verification of a violation, a Board member will contact the property owner. At the board's discretion, this initial contact can be made personally, by phone, through email, or through U.S. Mail.

What if the property owner refuses to take corrective action? Should the property owner fail to take corrective action, the Board will send a "second notice" via regular mail with written notice of the fine imposed as set forth in the approved Schedule of Fines (www.cat9.org). Owners desiring to appeal the violation must reply in writing (certified mail only) within 21 days from the date of the second notice as required by Arizona Revised Statutes A.R.S. 33-1803. Fines start as of the date of the second notice.

What are some simple ways to avoid a compliance letter? Certain actions can impact your neighbors and cause a nuisance or violate the covenants. Here are some simple ways to avoid a compliance issue:

- Use paint colors on the Dunn & Edwards approved color chart
- Keep sports equipment and trampolines screened and out of neighboring and street views
- Notify the board AND your neighbors of any excavation or driveway repairs or repaving
- Notify the board AND your neighbors when cutting down ANY trees
- Remove woodpiles which are visible from the street and your neighbors
- Keep mistletoe trimmed off your trees!
- Request Board approval for ALL exterior renovations
- Keep trash cans and sacks out of sight unless trash day
- Use CAT9 provided trash cans to avoid critters in your trash
- Store ALL utility trailers, boats, and RVs off-site or in the garage
- Turn outdoor lights off overnight, and avoid projecting spotlights onto your neighbor's lot

Catalina Foothills Estates No. #9 Association
Notice of Minimum Annual Dues Increase
From \$100 to \$300



**** PLEASE ATTEND AN INFORMATION SESSION ****
@ 7:00 pm on June 14, September 13, and October 11 Board meetings
www.CAT9.org for Zoom information

I. BOARD MESSAGE AND OVERVIEW

Starting in 2022, the Board of Directors of Catalina Foothills Estates No. 9 (“Association”) is proposing a change to the minimum annual dues as set forth in our Declaration of Covenants, Conditions and Restrictions (“CCRs”). There are multiple reasons for this budget increase which we hope you will support for the good of our neighborhood.

- Budget collections are currently not sufficient to cover operational needs, such as long-term road paving, speed limit and traffic signage, trimming, and landscaping.
- Additionally, there is no funding to support our self-managed governance, which includes collecting dues, maintaining property records, reviewing architectural requests, handling owner complaints, and managing compliance – all by volunteers
- Finally, there has never been an increase in the \$100 annual dues since inception of our Association in the 1970’s, despite inflation and escalating costs. The last and only special assessment was in 2006.

Per our governing documents, the Board’s key objectives are to maintain the roadways, collect reserves, and establish architectural controls and rules. Under the CCRs section 7, the Board has a duty in creating the annual budget to review the total budget required, and divide by the total number of lot owners. After a review, it is clear that an increase in annual dues is critically necessary to permit the collection of additional operational funds to ensure the long-term financial viability of the Association. In addition, increased dues will help maintain our property

II. PROPOSAL

Starting Year 2022, minimum annual dues shall be \$300 per year per lot

III. 2021 ROAD RESERVE ANALYSIS

Hallmarks of an upscale neighborhood include high quality, well maintained roads, and a sufficient operating budget to continue to maintain them long term. We own 301,400 square feet of 15-year old roads which were overlaid in 2006 through a special assessment. Road sealing is anticipated to be performed every 5 years, with the next major overlay/crack seal and major work anticipated in 2036. Costs are clearly escalating. Assuming a 2.5% per year increase each year from 2021 to 2036 (cumulative 37.5%), estimated costs for overlay/crack seal will rise from **\$1.49 per square foot in 2021 to \$2.05 per square foot by 2036**. With the current Annual Dues of \$100, we will not have sufficient funds to maintain the roads and landscaping in the short or long term without a significant special assessment.

Roads owned by the Association are:

Altos Primero, Altos Segundo, Altos Tercero, Calle Los Altos, Circulo Solaz, Placita Manzanita, Solaz Primero, Solaz Segundo, Solaz Tercero, and Solaz Cuarto.

A. ESTIMATED EXPENSES

Based on the estimated received in 2020 and assuming a 2.5% escalation in costs, the estimated expenses are projected to be **\$642,183** in the year 2036. Scope includes:

Paving	\$415,980
Crack Seal	\$ 54,720
Shoulder Repair	\$ 54,720
Professional Supervision	\$ 15,000
Sweep and Fog Seal	\$ 18,000
Subtotal	\$557,400
Road Contingency (15%)	\$ 83,763
Projected Cost	\$642,183



- Crack seal and pave all owned roads with 2 inches of green compacted asphalt.
- Raise water valve covers and survey markers to match new grade.
- Install concrete footers where washes cross roads.
- Sweep and fog seal the completed roads one year after the paving is completed.
- Roads will be completed with a minimum of neighborhood disruptions maintaining the necessary safety/blocking of said streets

B. ESTIMATED RESOURCES – YEAR 2036

With the current \$100 annual dues, the budget allocation is \$5,200 per year to roads reserve, leaving the Association with only \$46,562.71 currently in savings. Without the proposed increase now, all lot owners could potentially face a special assessment in the near future of between \$4,000- \$5,000 per lot, or the Association may be forced to take out a loan, which would result in even higher costs to lot owners.

With the \$300 per lot annual dues starting in 2022, the Association will be able to:

- Reserve at least **\$24,000 / year** for the next 15 years resulting in a total reserve of **\$360,000** by the year 2036 (remaining deficit to be determined every 5 years)
- Synch budget and actuals for printing costs, professional fees, and event coordination
- Explore database options to manage complaints in a timely fashion, accurately keep property records, and facilitate architectural review requests without delays or burdens on any one Board member
- Invest in technology tools which focus on improved electronic communications, electronic forms and newsletters, an improved website, and e-signature options
- Improve the manual tracking and data entry tasks to ensuring the Association's compliance with time sensitive statutory rules regarding resales under ARS 33-1806
- Build camaraderie, host social events, and encourage neighbor connections

With the proposed increase, there may still be a deficit for the roads reserve in 2036, which the Board will continue to monitor and determine the impact thereof every 5 years.

The implementation timeline is:

June 2021	June Newsletter & outreach
Sept 2021	Voting begins, outreach, & Board nominations
Oct 2021	October Newsletter & annual meeting notices
Nov Annual Meeting 2021	Approval announced
Dec 2021	2022 Budget approval by new Board
Jan 2022	Dues notices sent to all lot owners
Jan 2035 – Oct 2035	Bid Process for repaving
March 2036	Paving
Sept 2036	Project accounting

C. 2022 PRELIMINARY BUDGET

Our preliminary budget (income and expenses) is set forth below comparing the 2021 line items to the potential 2022 line items. Projected income and expenses in 2022 will be \$39,697.00. Projected transfer to roads reserve will be at least \$24,000, compared to \$5200 in prior years. The increase to \$300 will also permit additional revenue for Board governance for our volunteers and to ensure compliance with statutory compliance requirements.

2022 BUDGET (DRAFT)			RATIONALE
	2021	2022	
INCOME	Planned Income	Planned Income	
Annual Dues	\$13,000.00	\$39,000.00	\$300/yr X 130 lots assume \$173 fee x 4 sales based upon actuals
Late Fees	\$0.00	\$0.00	
Disclosure (Transfer) Fees	\$720.00	\$692.00	
Bank Interest	\$25.00	\$5.00	
Other	\$0.00	\$0.00	
Total Income	\$13,745.00	\$39,697.00	
EXPENSES	Planned Expense	Planned Expense	
Taxes + Preparation	\$500.00	\$500.00	no change
Road Sweeping	\$4,800.00	\$4,800.00	no change
Maintenance (signs/posts)	\$1,500.00	\$1,500.00	no change
Insurance (D&O / Common Area)	\$1,800.00	\$2,300.00	increase by 30%
Professional fees	\$300.00	\$1,500.00	\$300 x 5 hrs (pay only as billed)
Rent (Storage Unit)	\$1,000.00	\$1,000.00	no change
HOA Meeting Room / Zoom Account	\$200.00	\$200.00	no change
Office Supplies	\$100.00	\$100.00	no change
PO Box rental	\$250.00	\$250.00	no change
Printing + stamps	\$130.00	\$500.00	increase for actual cost
Owner Registration & Requests	\$0.00	\$2,700.00	\$250/month for software reserve
Website	\$100.00	\$100.00	no change
Special Project(s)	\$0.00	\$0.00	no change
Misc / Admin / Events	\$100.00	\$247.00	no change
Projected Transfer to Roads Reserve	\$5,200.00	\$24,000.00	increase by \$18,800 minimum
Total Expenses (estimated)	\$15,980.00	\$39,697.00	
PROJECTED ANNUAL DEFICIT 2021	\$2,235.00		