

Received
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9/29/17
Jia

[Redacted]

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Dear [Redacted] HOA Board:

As I hope you are all aware, I sent a certified letter/packet to the board in mid-July of 2016. This packet contained concerns I had in regards to fees charged to Postage and Copies [5135], as well as a history of improper Annual Budget creation.

Unfortunately, since I mailed that letter/packet, those aforementioned concerns still exist.

And while I understand board positions are voluntary and take extra time and effort to fulfill required duties etc.; this makes it even more crucial to have a competent, transparent, honest, and ethical management company assisting.

Below are some concerns I have with our current management company.

Concerns:

- On numerous occasions in the past, I was deterred/warned that I would be charged for requesting copies of HOA financial documents, which is in violation of A.R.S 33-1258
- I had a very hard time getting actual line item charges for the Postage and Copies [5135] item from the property management company invoices; and, until just recently, could not get copies of collection invoices [5159.001]
- Inaccurate Monthly Budget Comparison Statements (missing line items/item values, wrong values, values not matching paid invoices, etc....)
- Continued inaccurate Annual Budgeting creation for **Administrative Expenses**, even after I sent the aforementioned packet in July of 2016 (see: Item A)
- Continuing, unsubstantiated, printing and processing billings/fees
- Minutes taker at the Monthly Meetings is an employee for the management company, and tends to create said minutes accordingly
- As I pointed out during the Monthly Meeting on 9/19/2017, the 2017 HOA Board membership is not in compliance with the HOA Bylaws. It appears this has occurred in the past as well
- My previous certified letter/package was not properly delivered as I was told it was, until I sent an e-mail (see: Item B)
- The Annual Questionnaire is actually a questionnaire to the management company (see: Item C). I feel It is very important to remember that the Annual Meeting is a meeting of the HOA Members, which means that the HOA Members should be provided with the opportunity to address their Board of Directors
- In general, historically failing to comply with the terms of their contract(s)

The current management company has been providing services to our HOA for well over a decade (I believe since inception in 2004) and it is obvious to me that they either became extremely complacent years ago, or their relationship with long-term ex-president [Redacted] allowed them to run our HOA as their own profit center and that has not changed since he left at the beginning of this year. With that, I believe it is much more than a coincidence that the previous long-term Property Manager [Redacted], and HOA President [Redacted] have both left in the last year or so.

[Redacted]

Whether long-term complacency, or continuing to be allowed to operate freely, I strongly suggest a change in the property management vendor/company, and the sooner the better. I would also suggest making [REDACTED] Vice President and bring in a director to replace David in an effort to fulfill HOA Bylaws compliancy.

Our community and the members who support it, deserve to be treated fairly and honestly, as well as have their assessments managed appropriately.

In conclusion, I have spent my own money sending you, the board, now two (2) certified letters/packets with valid, serious concerns regarding the operations and financial management of our association. While I understand property management companies operate at their best (re: most profitable) when they create barriers/conflict between boards and its members; trust me when I say I am only trying (hard) to ensure finances are in order and assessments are a true reflection of association need.

I hope you will consider my suggestions.

Sincerely,

[REDACTED]

Todd A. Stevens

Friday, September 22, 2017

[REDACTED]

B1

Todd A. Stevens

From: Todd A. Stevens
Sent: Friday, July 7, 2017 4:26 PM
To: [REDACTED]
Cc: [REDACTED]
Subject: RE: Document Request
Attachments: 3950 LP-0000-0940 CO H 15-4b2cce2f (2).pdf; Your Request; RE: Certified letter received; Certified letter received

While I can understand that providing HOA documentation and answering HOA questions takes time and effort, I posit:

1. Documentation Maintenance is a part of the Scope of Services your company gets paid monthly for
2. A.R.S 33-1258 allows any member of an association to request records of the association at no cost to the member (see attached e-mail: **Your Request**)
3. Questionable business practices and/or actions tend to breed questions, as well as supporting document requests
4. If your company had put forth the proper time and effort initially when creating [REDACTED] HOA Annual Budgets for the last 10+ years, per your company's contract(s); you would not have to spend time now

With that said, I am requesting electronic copies of the following Legacy Parc South HOA documents:

- Complete active vendor list
- Ex-President - [REDACTED] resignation letter
- Alternative Dispute Resolution Policy
- All 2017 paid invoices from the following vendors (invoices are not privileged communications):
 - Carpenter Hazlewood
 - Brown & Alcott
 - Travis Law
- Cancelled check #s: 4489, 4507, 4514, 4513, 4541, 4556, 4532, 4540, 4555
- All bank statements for April, May, June 2017
- All paid invoices for April, May, June 2017
- All canceled checks for April, May, June 2017

Also, in the email attached (**Re:Certified letter received**); I had previously asked, and you replied that you gave copies of the certified letter/packet to each of the Board members at that time. However, when I asked the Board if they reviewed said packet at the Annual Meeting held on March 2017, you stated "They were made aware of it". That is a very big difference, and brings into question your response to my request to discuss said letter at an upcoming meeting (see e-mail: **Certified letter received**).

Furthermore, at the meeting held on Tuesday, June 20 2017, I asked the Board members if they had viewed the packet and they obviously had not.

I am requesting the attached pdf be sent to each current Board member as the USPS certified letter I mailed was addressed to:

[REDACTED]
ATTN: Board of Directors

Going forward, if you could please ensure all USPS correspondence is delivered to the proper recipients in a timely fashion, it would be appreciated (see: 18 U.S.C 1702) .

B2

Thanks

From: [Redacted]
Sent: Wednesday, April 19, 2017 1:27 PM
To: Todd A. Stevens
Subject: RE: Document Request

I have attached the March cancelled checks per your request.

Todd, we have been providing years of documentation to you for some time now. Providing the documentation and answering questions is taking up a great deal of my time. Therefore we contacted the attorney and while we do have to continue providing you the requested documentation, we do not have to answer questions regarding it.

Have a great week.

Thank you,

[Redacted signature block]



[Redacted signature block]

[Redacted] nks.

I noticed you added March 2017 checks. With that, I am requesting a copy of all bank statements for March 2017, as well as the financial report, and copies of all paid invoices and violation letters sent for this period.

I will assume from the Jan/Feb 2017 bank statements you sent me, check #'s: 4489, 4507, 4514, and 4513 were made out and amounts paid to community homeowners, is this correct? Can you please give an example of why the HOA would pay a homeowner?

B3

Also, I asked you previously if Board members receive copies of cancelled checks on a monthly basis as part of your packet deliverable. If so, do they get to see the copies of checks to homeowners? Do Board members have access to web banking for the HOA's seven (7) accounts?

Finally, can you explain what GL 2020 Working Capital Fees is used for and when ex-President James Oravetz was removed from the Board?

From: [REDACTED]
Sent: Friday, April 14, 2017 11:34 AM
To: Todd A. Stevens
Subject: RE: Document Request

Attached are copies of all the cleared checks minus any with homeowner information.

Thank you
[REDACTED]

From: Todd A. Stevens [<mailto:todd@tascs.net>]
Sent: Tuesday, April 04, 2017 5:49 PM
To: [REDACTED]
Subject: RE: Document Request

I count 6 bank accounts associated with the HOA, is this correct?
I would like an electronic copy of the information you get monthly from the bank regarding interest on 1152.

Also, does the Board receive copies of all cleared/paid checks along with the statements on a monthly basis? I am requesting electronic copies of all cleared checks for January/February 2017.

Finally, I didn't get a postcard this year in the mail with the meeting dates, can you send me a copy?

Thanks.

C1

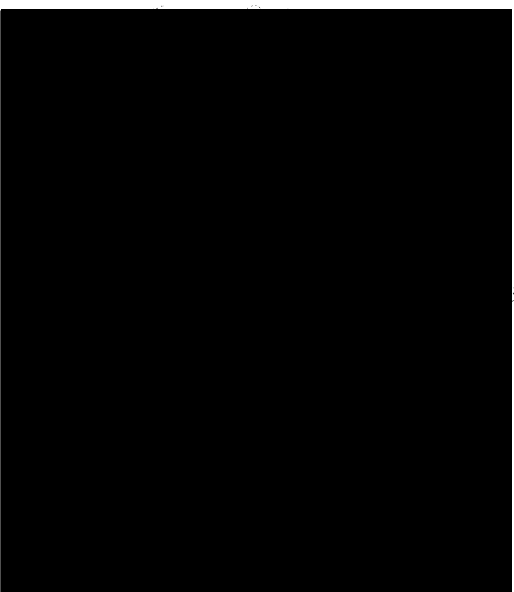
Todd A. Stevens

From: [REDACTED]
Sent: Wednesday, March 15, 2017 3:17 PM
To: Todd A. Stevens
Cc: [REDACTED]
Subject: RE: 2017 Annual Meeting - Questionnaire

I received your annual meeting questions and wanted to let you know that I will not be addressing those that are specifically directed to the board as I would not presume to answer for them. You will need to ask those questions at an upcoming board meeting during the homeowner forum.

Have a great day.

Thank you,



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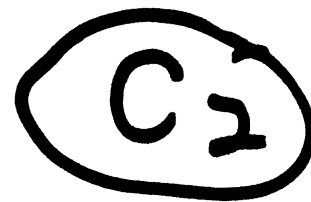
From: Todd A. Stevens [mailto:todd@tascs.net]
Sent: Tuesday, March 14, 2017 5:48 PM
To: [REDACTED]
Subject: 2017 Annual Meeting - Questionnaire

Hello,

Please find attached the questions I would like answered at the [REDACTED] HOA - 2017 Annual Meeting next week.

Thank you,

Todd



QUESTIONNAIRE

2017 Annual Meeting

QUESTIONS

- Can the Board please explain why the [REDACTED] HOA's Annual Budget hasn't been created properly in years
- Does the Board feel they are performing their fiduciary duties properly when it takes a certified packet/letter mailed to them from a homeowner addressing the lack of proper annual budget creation
- Why did the Board not correct the 2017 Water Utility budget total when it was pointed out that it was inaccurate
- Does the Board find it concerning that the lack of proper budgeting is occurring mainly in the Administrative Expenses area, where the current property management company does not provide copies of invoices from many vendors, just their own invoice and amounts
- Does the Board find it concerning that some property management company employees attempt to charge homeowners for copies of HOA-related documents when this is in direct conflict with A.R.S Section 33-1258
- Can the Monthly Management Report deliverable be included as part of the documents handed out to attendees at the bi-monthly meetings
- What % of homes in the community are currently rentals, and has there ever been any discussions to set a cap
- Seeing as the balance sheet is looking healthy, the community is mature, and budgeting/expenses is/are getting resolved; has there been any discussions regarding lowering assessments to a more competitive real estate market level (i.e. closer to the original \$44/month)
- Why is GL income account **4090 CC&R Violation Fees** omitted from some months' financial statements
- What is GL account 2001.012 and where/how can homeowners get an electronic copy of the latest Chart of Accounts with descriptions
- How often does the Board check in on the various HOA banking accounts, does the Board get copies of the statements on a regular basis

COMMENTS:

- I think a bench or similar is needed for the new basketball court area, there is no place nearby to sit
- After over a decade of being a vendor of the HOA, I feel the property management company should provide a picnic/BBQ or similar for our community