

Continuity Policy

WHEREAS, Title 10, Chapter 39 of the Arizona Revised Statutes regulates records and reports for nonprofit corporations; and

WHEREAS, in accordance with the Arizona Planned Communities Act and the Governing Documents, the Association's Board of Directors wishes to adopt a policy facilitating continuity as new members are elected;

NOW THEREFORE, LET IT BE HEREBY RESOLVED that the following policy pertaining to continuity was duly adopted by the Association's Board of Directors, supersedes, and replaces all previous continuity policies adopted by the Board, and becomes effective as of the date shown below.

SUMMARY

This document is intended to serve as a compilation of duties of CSE II Board Members and Directors thus facilitating continuity as new members are elected.

PRESIDENT

As defined in Section 9.9 of the By-laws: The President will be a Director and act as the Chief Executive Officer of the Association and, subject to the control of the Board, will manage and supervise all of the business and affairs of the Association. The President will, when present, preside at all meetings of the Board and the Members. He/she must sign, with the Secretary, or any other proper Officer of the Association authorized by the Board, any contracts or cancellation of contracts, deeds, or other instruments which the Board has authorized to be executed, except in cases where such execution has been expressly delegated by the Board or By-Laws to some other Officer or agent of the Association.

DUTIES:

1. Ensure that all actions taken comply with the Governing Documents.
2. Establish meeting agendas with the Secretary.
3. Work with the Treasurer to establish the annual budget.
4. Ensure newly elected officers are registered with the Arizona Corporate Commission in conjunction with the Secretary and the Treasurer who is CSE II Statutory Agent.
5. Act as controlling agent for bank accounts and establish appropriate access for account management and oversight by the FRC.
6. Attend Green Valley Council meetings applicable to the office such as President to President Meetings, Attorney Seminars and Training Sessions.
7. Conduct annual reviews of active contracts in the Fall to ensure applicability for the coming fiscal year. Existing contracts include Landscaping, Waste Management, Insurance, and any other newly established contracts for work being done on behalf of the HOA.

8. Act as Liaison between CSE II and the San Ignacio Golf Course.
9. Establish standing committee chairs.
10. Work with the Board to establish ad hoc committee chairs as necessary.
11. Act as Liaison between CSE II and attorney Goldschmidt and Shupe.
12. Maintain awareness of legislative changes that affect CSE II.
13. Approve Newsletters and CSE II communications.
14. Maintain awareness of the AZ Supreme Court Calabria Ranch decision and how it might impact CSE II.
15. Notify Waste Management State Farm, the GVC and Goldschmidt/ Shupe of changes in leadership.

VICE PRESIDENT

As defined in Section 9.9 of the By-laws: The Vice President will be a Director and, in the absence of the President, or in the event of his death or inability or refusal to act, the Vice President will perform the duties of the President. When acting as President, the Vice President has all the powers of and be subject to all the duties assigned to him by the President or by the Board.

DUTIES

1. Act as Board Liaison for Grounds and Roads Committees.

SECRETARY

As defined in Section 9.9 of the By-laws: The Secretary is responsible for recording and maintaining written records of the Association and handling official CSE II, INC. communications. The Secretary shall comply with the meeting notification requirements in Article 4 Section 2 of this document for Association meetings and with Article 7 Section 4 for Board Meetings. Notice of meetings of the Board will be published in the Homeowner's Newsletter, the Association's website, Neighborhood Sign Board, Membership E-mail and through other means the Board determines is appropriate. The Secretary will record attendance, prepare minutes, and confirm approval of previous minutes for all Board and Association membership meetings which will become the official record of CSE II, INC. The Secretary is responsible for providing resale material as prescribed in A.R.S. §33-1806 to new buyers with support from the communications committee. The Secretary shall sign all amendments to the By-Laws and CC&R's along with the President.

DUTIES

1. Manages HOA records and corporate affairs in chronologic order and retains records for future needs. Retains records according to the Record Retention Schedule for CSEII.
2. Maintains all voting records for 1 year following an election or ballot vote.
3. Co-Signs contracts along with President and maintains contract records. Co-Signs all Amendments to the By-Laws and CC&Rs along with the President.
4. Collects all mailed sealed ballots and delivers to Election Chair(s) unopened.

5. Maintains all lot records to include Architectural files, Resale Notifications, Homeowner violations, HOPA records, etc.
6. Approves all additions for access to bank checking, savings, and reserve accounts.
7. Prepares minutes from all board and membership meetings. Distributes to the board for review within 15 days of the meeting. Posts draft copy to HOA website. Updates posting after next meeting with approved version within 15 days. Collects Committee reports for the records and incorporates all meeting attendance records for board and membership meetings. Ensures that quorums are achieved at each board and membership meeting.

TREASURER

As defined in Section 9.9 of the By-laws: The treasurer maintains and approves all financial records for the association. This includes bank records, invoices for payment, and checks written. The treasurer provides a written financial status report verified by the financial committee each quarter and at the annual association meeting. These reports will be made available in a timely manner in accordance with A.R.S. 33-1810. The treasurer maintains a record of lot owners in the association collects all assessments and notifies those who are delinquent. The treasurer is responsible for submitting all required state reports.

DUTIES

1. Sign papers as signatory on bank accounts (checking/savings/CDs)
Washington Federal <https://commercial.washingtonfederal.com/smallbusiness/auth>
Register as Statutory Agent for HOA with Arizona Corporation Commission website:
<https://ecorp.azcc.gov/AzAccount>.
2. Participate in ongoing Board Emails / decisions / meetings as board member.
3. Check mailbox for mail: Once or twice weekly (every day when assessments are received January/February). Deposit any checks received.
4. Pay any bills due (Paid automatically from checking: Points West Environmental – utilizes “bill pay” through WaFd.
5. Auto Pay accounts are: TEP – set up to automatically withdraw from WaFd through TEP.
6. Request W9 form to be completed by any vendor we pay more than \$600 to in a given year. If the contract is more than \$600 request at time of contract. Based on information provided on the W9 by the vendor, complete a 1099 where necessary for that vendor in January.
7. Using Manager (free accounting software) maintain the following:
 - a. Record payments and receipts in timely manner
 - b. Reconcile Bank Accounts
 - c. Prepare monthly transaction report for FRC
 - d. Prepare quarterly financial reports:
 - i. Balance Sheet
 - ii. Revenue & Expense
 - iii. Revenue & Expense (Actual vs. Budget)

- e. Prepare annual budget in time to review with HOA President prior to the Oct/Nov board meeting
 - i. Review Transfer Fee to determine if increase is warranted
 - ii. Review Annual Homeowners' assessment and recommend changes to the board
 - iii. Request committee chairs to provide detail for any expected expenses
 - iv. Update for any known contracts
 - v. Review and revise 20-year plan
 - vi. Use 20-year plan to update HOA Dues, Cortina Villas & Canoa Vistas II Road Reserve, and HOA Road Reserve Expense
 - vii. Increase other expenses where necessary by a percentage
- f. At year end prepare JE to move money from retained earnings to Road Reserves.
- 8. Prepare backup (PDFs) of income/expense data for records and for Financial Review Committee (FRC). Send monthly to FRC; transaction report of all checking/savings/CDs activity for the month and related backup documents. Also send bank reconciliation reports for each account to FRC.
- 9. Present quarterly reports to the Board for regular Board meetings.
- 10. As part of New Business at Board meetings; recommend changes that would financially benefit the HOA.
- 11. Present annual financial reports to the Financial Review Committee, Board and HOA.
- 12. Prepare Federal Form 1120(H) and Arizona 120A Income Taxes for previous year by April 1 or provide accounting documents to CPA in January for CPA to prepare taxes.
- 13. Pay any taxes due by April 15 <ftps.gov>for IRS / AZ Department of Revenue
- 14. If prepared by CPA; Pay CPA's bill when picking up tax returns.
- 15. Arizona Corporation Commission for HOA: File Annual Report online by April 16.
- 16. Present budget for coming year for approval at Board's Oct/Nov meeting.
- 17. Assessment of Homeowners' Dues: Invoice to be approved by Treasurer in December; January 2nd mailing to homeowners.
- 18. Send bills in late November to Cortina Villas & Canoa Vistas for Area C expense reimbursements and road reserves. Payments due December 31.
- 19. The Communication Committee maintains the Assessment Spreadsheet and e-mails out the assessment invoices. This is kept on a shared Google drive and the Treasurer updates the spreadsheet with dues received (recording; date deposited, date on check, check number, check amount) from homeowners as payments come in.
- 20. Manage CDs to ensure the best interest rate is obtained.
- 21. Attend GVC Treasurer Training.

MEMBER AT LARGE (ARC CHAIR)

As defined in Section 9.9 of the By-laws: The Architectural Committee Chairperson must be a Board Member and is responsible for managing the committee. The Duties of the Architectural Committee and its chairperson are described in Section 10.2 of the By-Laws.

DUTIES

1. Conduct the business of the ARC in accordance with Section 11.0 of the CC&Rs
2. Guidance for the conduct of the ARC is summarized in the 2022 ARC Procedures,

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DATED this 3rd day of February 2024.

**CANOA SECA ESTATES II HOMEOWNERS,
INC., an Arizona non-profit corporation**

By:



Its President

ATTEST:



Secretary