

Sonora HOA
Minutes of the Annual Meeting Draft
March 10, 2026

The March 10, 2026, meeting was called to order by President Greg Liedtka at 1:30 p.m. The pledge of allegiance followed. 43 homeowners were present and five board members. The ballots for two positions were counted during the meeting by Barbara Whitmore and Joe Trembl as recognized by Richella Archer Secretary.

The March 2025 annual meeting minutes were read to everyone in attendance by Richella and the minutes were approved.

Greg announced that Val Ergish was appointed by the board to fill the vacant one year term through March 2027. Val introduced herself and shared a few words.

Greg informed homeowners regarding the emergency meeting that was held on February 4, 2026, to extend the voting on the CC&R's until April 10, 2026. At this point, not enough votes have been submitted to meet the 122 yes vote requirement. The members were encouraged to take the additional time to vote. Karen Smith also was emailing and encouraging non-attending homeowners to vote.

Jerry Noonan, the newly appointed treasurer, submitted a 2023-24-25 Comparative Balance Sheet, Statement of revenue and expenses and Statement of changes in reserve balances. The report included a number of findings, recommendations and action plans for the remainder of 2026 which included:

1. The Treasurer and board need to meet to ensure Colby Management hands over to Paramount Management closeout funds from the reserve checking account held at First Citizens Bank. In addition, a substantial amount of the checking account balance should be invested into a higher yielding investment account.
2. Paramount Management should instruct Ryan Wollard, Paramount Management accountant, to accrue interest on all reserve fund investments as required by the bylaws.
3. The Board should adopt a formal contracting policy requiring all independent contractors to provide a written contract that fully complies with the minimum requirements of A.R.S. § 32-1158 and includes additional best practices and provisions such as:
 - a. Insurance and licensing requirements
 - b. Defined change order procedures
 - c. Clear responsibility for obtaining required permits (irrigation, electrical, structural, drainage, or grading, when applicable)
 - d. Updated annual pricing and scope of work services
 - e. Contracts must be submitted to the Board no later than 45 days before the end of the year calendar to allow adequate time for review, negotiation and approval.

- f. A portion of the CC&R related legal expenses was incorrectly charged to the Major Replacement Fund. Additional unpaid CC&R legal fees are approximately \$11,000, which still need to be allocated. The board will need to determine which fund the remaining legal funds will need to be charged.
4. The Treasurer Reported noted that 80% of 2025 expenditure was attributed to independent contractor services. The HOA bylaws state that any contract that is over \$1,000 between a contractor and a property owner should contain the following elements.
 - a. Contractor identification and business license information.
 - b. Property owner and job site details.
 - c. Contract execution date.
 - d. Estimated completion date.
 - e. Description and scope of work.
 - f. Total contract price including applicable taxes.
 - g. Deposit, progress payment terms, and schedule.
 - h. Notice regarding the owner's right to file complaints with the Arizona Registrar of Contractors.
 - i. Contractors' responsibility is to provide copies of all signed documents and receipts.
5. During contract review observation it was noted that other than Colby Management and Paramount Management, all other contracts including yard maintenance, tree maintenance, trash removal and pest control contracts on file were all dated from previous years, set to auto renew without updated terms, lacked current year pricing, properly designed scopes of work, or formal board approval. This resulted in not properly being executed in accordance with board requirements of at least two board members' signatures.
6. It was discussed the board should adopt a formal policy requiring all independent contractors to provide a written contract that fully complies with the minimum requirements of A.R.S. 32-1158 and includes additional best practice provisions such as insurance and licensing requirements, defined change order procedures, clear responsibility for obtaining required permits, update annual pricing and scope of work services. This also includes that contracts must be submitted to the board no later than 45 days before the end of the year calendar to allow adequate time for review, negotiation and approval. No formal action was taken.

As part of the Treasurer's report, many homeowners were able to give their input regarding landscaping and the Treasurer's proposal to move toward the use of comprehensive contracts that meet the key elements set forth in A.R.S. 32-1158. For Armin and Sons that would require a comprehensive landscaping contract with well-defined scope of work for services and pricing rather than the current \$5,005 monthly auto-pay system of payments currently used. See motion made and adopted below at the open meeting of the Board of Directors. The anticipated Landscaping budget savings would be re-budgeted to start replacing bushes and plants with pre-approved minimal or little watering requirements.

The HOA annual meeting was adjourned at 2:42 p.m.

10-minute break

Open Board Meeting started at 3 00 p.m. with 26 in attendance

Votes were counted by Joe Trembl and Barb Whitmore. Voting results were handed to Secretary Richella Archer which resulted in 91 votes for Gary Lowman and 79 votes for Richella Archer.

The board then voted for officer roles as follows: .

Greg Liedtka, President to fill term until March 2028

Gary Lowman, Vice President to fill 3-year term until March 2029

Jerry Noonan, Treasurer to fill one-term until March 2027

Richella Archer, Secretary to fill a two-year term until 2028

Valerie Ergish, Member at Large one-year term until March 2027.

Further discussion on the contracting of services continued.

The board approved \$4,000 to be transferred to the CC&r fund.

The concern was also brought up about the Paramount website having our information on it as well as the Sonora HOA information on that website. So a determination needs to be agreed if both websites will be available for information or just one.

Treasurer completed a review of the association's computer equipment and revealed two (2) HOA owned laptops. One containing only limited association financial documents and one containing limited secretarial documents. While maintaining an off-site storage for these paper documents is costing the association more than \$1,000 annually. A suggestion was made to purchase a high-quality document scanner and digitize all records that must be permanently maintained. Then organize them in a secure centralized digital archive and eliminate the storage fees.

The landscaping subject continued with the homeowners that stayed for the Open Board Meeting and the board will make the determinations of what's going to happen at the executive session following the Open Meeting.

Under Roberts Rules of Order Jerry Noonan, Treasurer moved and Richella Archer, Secretary seconded the motion to rescind the Continuation of the Contract adopted on January 13, 2026 authorizing the Contract with Armin and Sons and to direct the Sonora HOA president to provide written notice of cancellation pursuant to the 30 day cancellation clause set forth in the Existing Landscape Maintenance Agreement dated October 19 2020 for the landscaping services between the Sonora Homeowners Association and Armin and Sons for 2021 landscape services starting 1/1/2021 through 12/31/2021 and too negotiate a contract that meets the key contractual elements set set

forth in section 32-1158 of Arizona law for the period beginning April 30, 2026 and ending December 31, 2026.

Motion Passed: 3 Yes 1 No 1 Abstained

Open Board Meeting was adjourned at 3:50 p.m. followed by a 5-minute break.

5-minute Break

The Executive session per ARS 33-1804a(5) started at 3:55 with five board members in attendance.

Under the HOA rules and guidelines, a homeowner has the right to address the board regarding any compliant matter. After a review and discussion regarding the facts and circumstances surrounding the homeowner's fines assessed for the years 2022, 2023, 2024, and 2025 a motion was made by Jerry Noonan and seconded by Valerie Ergish that a waiver of all fines in the matter were appropriate and Paramount Management should be advised to issue a credit for the total amount of fines assessed. The board voted unanimously.

Executive session adjourned at 4:15 p.m.

Signed by: HOA Secretary
