

OASIS AT ANOZIRA COMMUNITY ASSOCIATION

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Annual Meeting of Members
First Baptist Church of Tempe – 4525 S McClintock Drive, Tempe
September 18, 2025

Call to Order: President, Diane Petteruti called the meeting to order at 6:00 pm.

Board Members Present: Diane Petteruti, Alan Heikkala and Rick Dusterhoft. Absent was Jessica Ireland and Claire Pavlus.

Management Representative: Debbie Tribioli from Kinney Management Services.

Quorum was established and represented by person or by a majority of the board members.
Minutes – Rick Dusterhoft to approve the annual meeting minutes from September 9, 2024. **Alan Heikkala**, all in favor.
President’s Report – What Happened Since Last Year?

Annual Community Update Good evening everyone, and thank you for being here tonight. A lot has been accomplished since last year, and I’d like to take some time to address the questions that were raised in the letter that was posted around the community. I’ll go point by point, so everything is clear.

Fountains at the Entrances At last year’s meeting, the question was whether to remove the fountains. It was very clear the community wanted them to stay. Since then, the fountains have been running well. • We currently have one refurbished pump ready as a backup in the pump house, and another pump being refurbished at the shop. • These extra pumps give us breathing room while we plan for long-term improvements. A major redesign is at least three years out, but we’ve provided a “before and after” picture as a glimpse of what could be possible. (See exhibit A) • In the meantime, Chuck and Ed will be power-washing the fountains when the weather cools, and replacing a cage in the north feature to reduce debris entering the pump.

Block Walls The wall on McClintock that was braced with boards has been repaired. Thanks to Clair, we have found a contractor with an affordable and effective plan: • Damaged sections at the base will be filled with concrete, and joints struck for a fresh look. • Loose top-layer blocks will be removed and re-grouted. • Repairs will extend to the north and south McClintock walls, as well as the walls on either side of the medium at the McClintock entrance. So far, five letters have gone out to homeowners explaining the process and costs. More will follow as we receive estimates from Cad Block & Stone. Once McClintock is complete, we will move to Elliot and then continue repairs around the loop. Please see Exhibits B and C for a before and after photo.

Landscaping and Irrigation The landscapers are paid \$12,000 a month — a rate lower than any other bid we’ve received. Mike and his team at Deca Landscaping have been excellent partners. • The biggest challenge has been our 31-year-old irrigation system. Replacing it completely would be cost-prohibitive, so Mike has been systematically repairing it section by section. • While much of this work

isn't visible, it has been significant. Mike worked with the board to utilize his Oasis team to work on other priorities like the irrigation issues not specifically in his contract versus charging the HOA extra to do the work. • To improve efficiency, a diver will be inspecting the intake valve in the lake. If needed, we'll raise it several feet to reduce debris entering the system. • Soil samples have been taken around the lake, and treatments are being applied accordingly. This has never been done before, and we'll retest next year to track progress. Additionally, we are awaiting a lake study to assess sediment buildup and determine if dredging or treatment is required. Please see Exhibit D, which contains long-term recommendations from Maura, our Master Gardener volunteer, who has been instrumental in shaping the landscape plan.

Plant Management • Pruning: Rather than "balls and squares," we are selectively cutting back Texas Sage in stages, allowing them to grow back naturally and with more greenery. This process will continue in February. • Dead Vegetation: Some plants have been removed, but we placed a temporary pause on replanting until irrigation repairs are complete. This ensures new plants will thrive. • Flowers and Blooming: Our flowering plants have been performing well overall, despite two very hot summers. Going forward, we'll continue a systematic approach: replacing high-maintenance plants with low-water, low-maintenance options and adding boulders for both aesthetics and protection along McClintock. See Exhibit B and C again.

Enhancement Projects • Exhibit E – Benches: The grass under the McClintock entrance benches was replaced with granite, eliminating a muddy, unsightly area. The bricks around all bench areas were also repaired, cleaned, and resealed. Two more areas will be addressed in the future. • Exhibit F (continued): Narrow grass strips around the lake will also be replaced with granite to improve appearance and irrigation efficiency. • Exhibit G -Water Features: The HOA board would like to refresh the small water feature by the boathouse and plan to do the same at the north intake. Small touches like these make a big visual impact.

Looking Ahead Our community is 31 years old, and while it has been well-maintained, it is time for thoughtful updates. Homes are now selling for \$800,000, and we need to keep our property values strong and our community appealing to young families. Tonight, you'll find a survey at your table. Please rank the projects in order of importance and add any additional suggestions. Your input will help guide our priorities.

Acknowledgments • Thank you to the Board for your dedication and countless hours. • Thank you to the Landscape Committee and Architectural Committee for their expertise and planning. (Have them stand for acknowledgement) • Thank you to all who attend monthly meetings and provide feedback. • A special thanks to Chuck and Ed, whose behind-the-scenes work saves this community thousands of dollars every year. • Thank you to Debbie from Kinney Management for answering my calls promptly and responding to me in a timely manner.

CLOSING Before I close, I would like to address the recent letter that was circulated around the community. 1. The letter was factually incorrect. As I've explained tonight, far more has been accomplished than what was described. 2. Going forward, we do not want to see false or misleading statements distributed in our neighborhood. It serves no purpose to spread information that is not accurate. 3. What we would love to see instead is more homeowners either attend the monthly meetings, or reach out to Debbie at Kinney Management with any questions, concerns, or ideas. 4. As President, I am always willing to speak with homeowners. We would love more of you to get involved,

share your ideas, or bring your expertise to upcoming projects where your talents can help. This community belongs to all of us, and we can't know what's on your mind unless you tell us directly. 5. Lastly, if you feel compelled to produce a letter, please have the courage to sign your name. Anonymous letters are not productive or fair, and they do not help us move forward as a community. I stepped up as President to strengthen the bonds of our neighborhood and to work with all of you to ensure every decision is made in the best interest of The Oasis. Let's continue working together to keep our community one of Tempe's premier neighborhoods. Thank you all for your time tonight. At this time, I'll open the floor to questions

August 2025 Treasurer's Report – Oasis at Anozira HOA

Alan recaps the August 2025 Financials. Total income for August was \$34,283.50. Total Maintenance and Repair is \$15,326.13. Total Parts and Supplies is \$76.30. Total Utilities is \$3,719.47. And Total Administrative is \$5,462.55. This makes the Total Operating Expenses for August \$24,584.45 giving the community a net gain of \$11,469.07 for the month. Total Liabilities and Capital is \$1,033,992.77.

At last year's annual meeting I reported that the state of our financial condition was strong meaning that the Oasis HOA is able to meet our monthly financial obligations and that we were making positive progress toward building our reserve balance:

- 12-22 ~\$720k
- 12-23 ~\$750k
- 12-24 ~\$800k

The big issues looking over our financial status is the condition of our two most prominent and expensive assets; our deteriorating walls and doors for replacement at an affordable cost, and the health of our lake and specifically the condition of the lake bed.

Last year, I also mentioned the need to update our Reserve Study, which was last completed in 2017, as well as the Lake Study, which was last completed in 2015. To help us understand the chemical, biological and physical conditions of the lake and learn the sediment accumulation. Too much accumulation causes a problem to health of lake. <. need to dredge when sediment equals 15 – 20% of lake volume.>

Reserve Studies are conducted periodically to ensure that our HOA dues, bank balances, and maintenance spending is in alignment to meet the current and future needs of the community. Reserve studies are essentially the art of anticipating and financially preparing for the repairs and replacements of the Association's major common areas assets, including our infrastructure. The study is a formal way to compare the Board's collective opinion about how and when to spend our money compared to experts who specialize in this.

Therefore, the Board engaged Association Reserves to conduct a revised Study, which was completed earlier this year based on a continuation of the assumptions from the original study updated with current information.

| <u>Study</u> | <u>Reserve Balance</u> | <u>Fully Funded</u> | <u>% Funded</u> | <u>Risk of Assessment</u> | <u>Strength</u> |
|--------------|------------------------|---------------------|-----------------|---------------------------|---------------------|
| 2007 | \$ 91,000.00 | 343,000.00 | 26.5% | High | Weak |
| 2017 | | \$ | 77.4% | Low | Strong, but needing |

431,700.00 557,700.00

improvement

| | | | | | |
|------|------------|--------------|-------|--------|------|
| | \$ | | | | |
| 2025 | 883,000.00 | 1,488,000.00 | 59.3% | Medium | Fair |

Our financial strength dropped from 2017's 'strong' to our current 'fair' rating, So why the decline in our financial strength? We have diligently managed our money and our reserve balance has more than doubled in 8 years. Well,,, a significant portion of the reserve funds needed is based on our block walls surrounding the exterior perimeter of our community, as well as the walls around the Anozira loop. The 2017 Study projected the cost to repair and replace these walls as between \$58 to \$73 per linear foot and the cost to paint at \$10 to \$12 per foot for a total cost of \$183,500. But due to the inflation of building materials and labor during the past four years, this year's updated Study has increased the overall cost to repair, replace, and paint the walls to now total \$1,055,000 ... nearly 5X greater cost.

Keep in mind that the Oasis has nearly 14,000 (13,855) linear feet of community walls (estimated 11,100 linear feet) of which a majority are shared walls between units in the community. In some instances, we have shared responsibility. Some of the walls are in great shape, some sections of the walls need to be replaced and some sections need to be repaired. <B.T.W. there are 14,000 linear feet of walls that are not shared walls that are 100% responsibility of the homeowner > In the new updated study, the association reserves estimate that we would need to spend nearly \$500k in the next year only to remediate the walls, which is about 1/3 their share of \$1,488,000 for our Reserve fund to be fully funded. They recommend that we have a one-time special assessment of \$1,000 per homeowner to help pay for these improvements. We would be doing this unless absolutely necessary, but the Board agrees that increasing our dues by \$5 monthly to a total of \$95 per month in 2026.

<Other examples of increased costs to repair our assets are: the cost to repair and paint the view fence around the lake was projected to be \$75k in the 2017 study and now it is projected to be \$125k a 67% hike. Another cost to add to the lake bed increased from \$300k in the 2017 study to \$350k in the 2025 study.>

The topic of what to do about our walls has weighed very much on the mind of the members of the Board for the last seven years and we have been searching for a financially viable solution to remediate our walls.

More background: Going through my files, I found actual quotes and estimates for wall repairs and replacement that range from \$113 to \$402 per linear foot. Some of you may remember attending a meeting years ago (2017) where American Technologies Inc. made a comprehensive review and presented their recommendations which included replacing just the walls facing McClintock from the entrance north to the canal, for a cost of about \$250k. The average of the seven prices we have gathered over the years is about \$200 per linear foot for a combination of repairing some sections and replacing other sections of the wall. If you do some quick math considering we have nearly 3 miles of walls to consider, you can see that arrives to a considerable sum. (13,855' X \$200 = \$2,771,000) So obviously we have not rushed into this project, but after all this time, we think we finally have arrived at a viable solution. Diane will speak more about this when she gives her remarks, but essentially we have found an experienced builder who has given us a viable and affordable approach to address our wall problems that we are excited to implement his solution.

Moving forward we have the revised Reserve Study and are anxiously awaiting the Lake Study, these two documents will help inform our priorities and decisions on improvement projects as we make the Oasis at Anozira the most desirable community in south Tempe.

Landscapers Report is in the packets for review. Discussion about landscape design for the community.

Priority survey cards are available at each table. Please fill them out and turn them in.

Discussion about wall responsibility. Board explains that some walls are party walls, some are shared walls and some walls belong only to that homeowner.

Election Results – This election was contested with 4 people running for 3 positions. Those nominees with the highest votes were Craig Colin, Alan Heikkala and Rita Osland. Each has been elected for a 2 year term.

Adjournment – With no further business, the meeting is adjourned at 7:40 PM.

DRAFT