

**The LEGENDS at Santa Rita Springs  
Homeowners Association, Inc.**

**The HANDBOOK of Association Rules And  
Regulations (AR&Rs)**

**Revision E**

**(Includes Revisions through April 25, 2018)**

**Board of Directors  
The LEGENDS at Santa Rita Springs**

## PREFACE:

The Handbook of Association Rules and Regulations is provided to homeowners in the Legends, so that they may be aware of the Rules and Regulations and their importance. The Association Rules and Regulations are listed in the order in which they were adopted by the board of directors.

## DEFINITION:

Association Rules and Regulations as defined in CC&R 5.4 empower the Board of Directors (BOD), by a majority vote, to adopt, amend or repeal the rules and regulations of the Association. Association Rules and Regulations may restrict and govern the use of the Common Areas so long as they do not discriminate among owners, do not contradict the Governing Documents, and do not add restrictions not found in the CC&Rs. Upon adoption by the Board of Directors the Rules and Regulations shall have the same force and effect as if they were set forth in the CC&Rs.

## TABLE OF CONTENTS:

<u>RULE</u>	<u>TITLE</u>	<u>PAGE</u>
<u>ADOPTED</u>		
1.	Homeowners Submitting Letters	March 2, 2006
2.	Recreational Vehicle (RV) Parking	May 4, 2006
3.	Recreational Vehicle (RV) Hold	May 4, 2006
	Harmless Agreement (Repealed,	January 14, 2015)
4.	Homeowners Submitting Amendments	Oct. 18, 2007
	to the Governing Documents	
5.	Temporary Parking	Mar. 6, 2008
6.	Directors Serving on Committees	May 1, 2008
	(Modified and Adopted)	April 2, 2009
	(Repealed)	April 1, 2010)
7.	View Protection	May 7, 2009
	(Deleted)	April 9, 2014)
8.	Amending the Design Guidelines	May 7, 2009
	(Suspended)	March 7, 2010)

(Repealed February 2, 2012)

9. The “Six Foot Rule” Guideline for May 21, 2009

Obstructed Views

(Repealed March 17, 2011)

10. Homeowner's Letters – Access, Nov. 5, 2009

Filing and Storage

11. Signage and Patio/Garage Sales – (Revised April 25 2018)

12. Criteria for Homeowner Weed Violations (draft) 11

Revision History<sup>12</sup>

(Deleted December 14, 2016)

### Association Rule and Regulation 1: Homeowners Submitting Letters

To assure homeowner’s concerns are fully addressed and acted upon, the following procedure will be adhered to:

1. A letter or memo (hard copy) will be addressed to the Board of Directors (BOD), delivered through a board member, or through the HOA’s management company, or presented at a workshop or formal board meeting.
  2. The letter/memo contents will be placed on the agenda of the next board meeting, and the same will be read to the attendees in total, or, at the president’s discretion, a summary may be read. Upon the BOD’s acceptance, the letter/memo will be assigned to the proper HOA committee for review and recommended action. If not accepted, the BOD will notify the homeowner of its decision and the reason within 30 days.
  3. The recommended action will be debated and voted on (if required) at a subsequent board meeting with final notification to the homeowner within 30 days.
- Items that would not be accepted are complaints that should be handled by the HOA’s management company.

### Association Rule and Regulation 2: Recreation Vehicle ( RV ) Parking

RVs owned by Legends’ homeowners only may be parked in the Legends for 72 hours maximum. No other RVs can be parked in the Legends. Such parking must not interfere with any neighbor’s driveway or street access.

Parking of an RV is for packing, unpacking or cleaning only. No overnight occupancy is allowed. Slide-outs may be extended during daylight hours for cleaning and packing. Electric cords and water hoses may be run to the rig to facilitate cleaning and loading. Noticeable safety flags and/or cones must be prominently placed around the RV.

#### Association Rule and Regulation 4: Homeowners Submitting Amendments to the Governing Documents

Any HOA member may submit an amendment to the CC&Rs or Bylaws to be voted on at the Annual Meeting. The submittal process is as follows:

1. The submittal shall be in writing; shall describe the need or argument for the change; and shall describe the new language of the proposed amendment.
2. The submittal shall be accompanied by a signed petition of 1/5<sup>th</sup> of the membership (44 homeowners in good standing with one signature per residence).
3. The submittal must be received by the Board of Directors (BOD) no later than the third week of January prior to the Annual Meeting held the following March.
4. The BOD will review the submittal language to assure that it meets with county, state and federal laws. Upon approval of the language of the proposed amendment, the BOD will place the proposed amendment on the Annual Meeting Ballot. To amend a CC&R Article requires 67 percent or 146 yes votes of a possible 218 homeowners. To amend a Bylaw Section requires 51 percent or 111 yes votes of a possible 218 homeowners.
5. Within 45 days of the acceptance by the HOA membership, the amended Article or Section will be recorded with Pima County and copies mailed to all Legends HOA members.

#### Association Rule and Regulation 5: Temporary Parking

CC&R Section 12.2.1. shall be interpreted to permit the temporary use of the driveway for parking of a homeowner's vehicle up to a maximum of fourteen (14) days. Visitors are permitted to park temporarily in the driveway or on the street.

## Association Rule and Regulation 10: Homeowners' Letters – Access, Filing and Storage

### PURPOSE

The purpose of this AR&R is to provide guidelines for the filing, access and storage of letters and memos submitted by Legends' homeowners to the Board of Directors. Access is provided for, but not limited to, the following cases:

- Allow letters/memos to be available for review by any Legends homeowner
- Provide easy retrieval and access to letters/memos, particularly for review during evaluation of a proposed or recommended action
- Allow a letter/memo to be easily located, rather than looking through several meeting minutes

### REFERENCED DOCUMENT(S)

Association Rule & Regulation: Homeowners Submitting Letters

### GUIDELINES

1. Letters are acceptable in either hand-written form or in electronic format. Acceptable electronic formats include a word processor document (i.e. Microsoft Word) or email.
2. A letter accepted by the Board for action shall be noted in the current agenda, with the notation "Accepted – [*committee name*] action." A letter not accepted for action shall be so noted with the notation: "Not accepted – No action" or similar notation.
3. Each letter shall be filed with the Association Manager. Filing shall be by a category or keyword (i.e. homeowner last name).
4. Hand-written letters must be scanned to permit electronic filing.
5. Letters on file shall be available at the Association Manager's office for review by any Legends homeowner or Board member.

6. Hard copy letters shall be retained/filed three years, after which time they shall be electronically scanned. Electronic copies shall be retained/filed 10 years.
7. For research and reference purposes and to aid access, an index of letters on file shall be maintained by the Association Manager, and a current copy of the index shall be available at Board level. At minimum, the index shall contain homeowner name, topic, date and disposition of letter.

(Adopted November 05, 2009)

(Section 8 regarding website deleted on 11 February, 2015)

#### Association Rule and Regulation 11: Signage and Patio/Garage Sales

(Revision approved by Legends Board on April 25, 2018)

Purpose: The purpose for this rule is to remove the Association position on Signage and Patio/Garage Sales from the Design Guidelines and put them in this document.

- Signage: No signage is allowed on any build lot except during periods of an “Open House.” “Open House” signs may be posted within the front yard of the property during hours of the Open House only. No more than eight open houses are permitted per month per residence for sale. (refer to CC&R 12.3.1) Directional signs are permitted in the subdivision and must be removed at the conclusion of the open house.
- Patio/Garage Sales: Patio and Garage Sales are allowed. They are, however, limited to two per year per residence. The sale must take place between the hours of 7 a.m. and 5 p.m. Signs for the sale are permitted but must be limited to three signs in common areas, and one in front of the home. The signs must only be posted during the hours of the sale and must be taken down after the sale ends. The size of the signs must not exceed five square feet in total per sign. No parking will be allowed on the neighbor’s driveways or blocking of any neighbors’ driveway as well as parking on Common Area. Those conducting yard sales, garage sales and estate sales are responsible for traffic monitoring so not to impede the flow of traffic on the community’s streets.

**LEGENDS AR&R 13**  
**MANAGEMENT, RESERVE FUND FOR ASSET REPAIR & REPLACEMENT**  
**(approved by Legends' Board on April 06, 2016)**

**BACKGROUND:** CC&R 8.2.2 requires the Board of Directors to establish a reserve for repair and replacement of all Legends assets (herein, the "RESERVE FUND"). The RESERVE FUND has been established based upon a 2004 Reserve Study which, among other things, instituted a Reserve Funding Schedule of the cost and life expectancy for Legends assets, and a recommended procedure for using the Reserve Funding Schedule to maintain an adequately funded RESERVE FUND.

By Laws 9.5.1 A & E requires the Finance Committee to monitor the RESERVE FUND, and recommend annually to the Board the contribution needed to maintain adequate RESERVE FUND liquidity for performing repairs and replacements when needed. The Board reviews the recommendation, and determines and approves each annual contribution. The annual contribution to the RESERVE FUND can vary from year to year, depending upon changing circumstances and economic conditions.

**PURPOSE:** This AR&R documents procedures implementing the above CCR and By Law provisions.

**(A) FINANCE COMMITTEE AND TREASURER RESPONSIBILITIES.**

1. **Schedule Maintenance.** The Schedule of cost and life expectancy for Legends assets shall be maintained by the Finance Committee. The estimated cost/life expectancy of each asset shall be reviewed, and updated if needed, at least every three years using data from potential vendors or other reliable data sources. Information from up to three sources shall be obtained whenever practical. The Schedule shall be supplemented with the costs/life expectancies of any additional existing assets which may have been erroneously or inadvertently excluded. In the event of Legends purchase or creation of new assets (i.e., assets not previously in existence and owned by the Legends), such new assets shall be added to the Schedule promptly following their purchase or creation. Based upon the most current cost/life expectancy data, the Committee shall maintain the estimated annual contributions required for not less than the subsequent thirty years needed to maintain an adequately funded RESERVE FUND. The updated Schedule shall be made available for Board of Directors review.
2. **Recommended Annual Contributions to RESERVE FUND.** As part of each annual budget process, the Finance Committee shall consult with all Legends Committees to determine the adequacy of Schedule entries for repair or replacement of assets within the responsibility of such Committees. Based upon the consultation with the Committees, and other data generated by the Finance Committee, the

Schedule shall be updated and used to determine a recommended contribution to the RESERVE FUND for the upcoming budget year, and incorporated in the budget proposal given to the Board of Directors.

**3. Expenditures from the RESERVE FUND.** Repair or replacement of Legends assets shall be made only when deemed necessary by the responsible Committee, or by the Board of Directors in the absence of Committee recommendations. The Board approved guidelines for expenditures to repair or replace existing Legends assets are as follows:

a) Source of Funds: (1) For assets not listed in the current Reserve Funding Schedule, if the cost is greater than \$1000 and the projected useful life of the asset is at least two years, the expenditure will be made from the Reserve Fund; if the cost is \$1000 or less, or the useful life is less than two years, the expenditure will be made from the Annual Operating Budget. (2) For assets listed in the current Reserve Funding Schedule, all expenditures will be made from the Reserve Fund.

b) Approvals: Any expenditure to repair or replace a Legends asset included in the current Reserve Funding Schedule, and which is for \$1000 or less, may be made with the approval of the Chair of the responsible Committee and the Legends' Treasurer; any expenditure for assets not included in the current Reserve Funding Schedule, or which is greater than \$1000, also requires the approval of the Board of Directors.

c) New Assets: Cost of purchase or creation of new assets shall be made from other Legends assets, and not from the RESERVE FUND. Any question of whether an asset is an existing asset or a new asset shall be resolved by decision of the Board, upon considering the recommendations of all appropriate Committees.

**4. Management of RESERVE FUND assets.** RESERVE FUND assets shall be segregated from other Legends assets, as required by Legends CC&Rs and Arizona State law, and may be invested in any investment permitted under State law, consistent with the primary goal of preservation of capital. Should the Legends purchase or create a new asset, as discussed in sections 1 and 3(c), above, funds may be borrowed from the RESERVE FUND upon Board approval, to avoid the need for a special assessment or for outside borrowing pursuant to Legends CC&Rs and By Laws. All such borrowings from the

RESERVE FUND shall be subject to the following conditions:

(a) no single borrowing for a new asset shall be for a term exceeding five years;

(b) aggregate borrowings outstanding at any point in time may not exceed \$5,000;



(c) interest on each borrowing shall be at a simple annual rate not less than the current average return earned on invested RESERVE FUND assets, or one percent per annum, whichever is greater; and  
(d) such other conditions, if any, which may be imposed by the Board of Directors.

**(B) BOARD OF DIRECTOR RESPONSIBILITIES.**

1. Make the final determination on the appropriate amount of each annual contribution to the RESERVE FUND, based upon review of the Annual Budget and the annual contribution recommended by the Finance Committee;
2. Review and discuss the Reserve Funding Schedule from time to time with the Finance Committee;
3. Review and approve expenditures from the RESERVE FUND, consistent with section (A)3, above;
4. Review and approve all borrowings from the RESERVE FUND, under section (A)4, above;
5. Provide general oversight management of all aspects of the RESERVE FUND management and investment, constant with the Board's general responsibilities.