

# **Ironwood Community Association**

## **Strategic Plan**

**2009-2013**

This Strategic Plan was prepared by the Planning Committee and approved by the Board of Directors of Ironwood Community Association (ICA). The Plan contains statements, figures and conclusions that are based on assumptions that may not be correct. The financial spreadsheets included in The Plan are for forecasting purposes only. In accordance with the California Civil Code and the Association's governing documents, the Board of Directors may only budget one year in advance with very limited exceptions. The forecasts and planning of current Boards may not bind future Boards. Circumstances may change and significantly alter the plan. The Plan is made available to the members of the Association for the purposes of disclosing the concepts being pursued by the Board for the next year. It should not be relied upon to make individual decisions. The Board makes no representations, express or implied, that the plan will be implemented, in whole or in part, or that it will not be changed or modified.

# TABLE OF CONTENTS

Introduction.....	3
Mission Statement.....	4
Section I: Situation Analysis.....	5
A. History.....	5
B. Homeowner Survey.....	5
C. Competitive Analysis.....	6
D. SWOT Analysis.....	8
E. Summary of Significant Factors.....	10
Section II: Five Year Objectives.....	12
Section III: Operations.....	13
Section IV: Governance and Communications.....	16
Section V: Finance .....	18
 <u>Exhibits</u>	
Exhibit A: Historical Summary.....	23
Exhibit B: Homeowner Association Data.....	26
Exhibit C: Map of Ironwood.....	27
Exhibit D: ICA Organization Chart.....	28

## Introduction

This plan covers the five-year period beginning January 2009. Prior to developing the original plan in 2005, a Mission Statement was composed which clarified the role of ICA. This Mission Statement was recommended by the ICA Planning Committee and reviewed and endorsed by the presidents of the 16 HOAs as well as with the Club's liaison.

This 5-year plan is in support of the Mission Statement, which defines ICA as the manager of certain common functions and the as the overall facilitator for the community working with all the HOAs and the Club. This plan outlines the importance of working collaboratively to foster the on-going and long-term attractiveness and value of the community in a very competitive market. The plan consists of various sections. Section I and Exhibit A review the history of Ironwood, its strengths and weaknesses and other issues, and draw some conclusions and suggest potential actions. Section II sets forth the five year objectives, and Section III focuses on ICA's operational responsibilities involving security, gates, streets and landscaping as well as facilitating the refuse/recycling program. Section IV addresses Ironwood's complex governance situation, and Section V discusses finance.

It is the ICA Board's intent that the Strategic Plan will be updated annually by the ICA Planning Committee and that it will be communicated to HOA board members, residents, and the Club liaison. The ICA members of the Planning Committee live in several of the associations. All new property purchasers will also receive a copy of the plan to have a better perspective of ICA, and its direction for the community. Any property owner will be able to get a copy of the current plan from the Management Agency (DRM) if requested and the plan is available on the ICA website.

A number of recent important initiatives have resulted from the planning process including:

- Establishing the Ironwood Community Council that is comprised of the ICA Board, the Association Presidents and the Club Board liaison
- Broadening the ICA committee structure to help ensure community wide collaborations
- Changing the association name to the Ironwood Community Association (ICA)
- Enhancing communications including an improved newsletter and improved use of channel 98
- Establishing an Architectural and Landscape Committee
- Establishing an Enhancement Committee to develop a long range plan for streets and landscape improvements
- Establishing a dedicated Community Association Manager at the management agency
- Improving Security equipment and procedures.

# IRONWOOD COMMUNITY ASSOCIATION

## MISSION STATEMENT

To collaborate with homeowners, Homeowner Associations and the Ironwood Country Club for the purpose of enhancing and protecting the ongoing value, desirability, attractiveness, and effective governance of the Ironwood Community.

To accomplish this mission, ICA has two distinct roles:

1. OPERATIONS – Managing the security and landscape functions, repair and maintenance of streets and common areas, and the promotion of Ironwood’s livability and friendliness to homeowners and guests.
2. FACILITATION – Providing contemporary architectural and landscape preferences and counsel, and promoting effective cost and management practices to the local homeowner associations.

## **SECTION I SITUATION ANALYSIS**

### **A. HISTORY**

Included with the plan are four exhibits:

- (A) A history of the community,
- (B) A description of the current 16 Homeowner Associations that make up the Community of Ironwood,
- (C) A community map, and
- (D) The ICA Organization Chart.

The exhibits help clarify some of Ironwood's complexities that are outlined in this Plan. It is also of interest that in 2006, ICA working with Association IX avoided adding another new association and accomplished the annexation of Association XV into Association IX thus reducing some of the community's organizational complexity. There are still a number of independent lots within Ironwood and the ICA Board is working to get these lots merged into existing associations.

### **B. HOMEOWNER SURVEY**

During 2007, ICA published an owner survey conducted by The McMahon Group, an industry leader in this field. The survey was designed to provide important feedback on key issues addressed in this Strategic Plan and to help establish priorities. The survey was sent to 1055 owners and 40% responded which resulted in a high confidence level of the feedback data. A summary of key findings is as follows:

- A significant majority support the role of ICA facilitating community wide programs regarding landscaping, streets, architectural, signage, etc. and in linking the community and the Club's image where possible.
- Owners were somewhat less satisfied with communications, ICA's understanding of owner expectations as well as the responsiveness to owners by both their HOA and the Management Agency.
- About half of the respondents favored some consolidation of HOAs.
- Owners generally opted to locate in Ironwood because of its location with 72% indicating the presence of the Country Club was very important.
- 88% agreed that the success of the Club impacted property values.
- Owners were highly satisfied with the street updating program but were less satisfied with lighting and signage.
- A majority indicated an interest in seeing proposals to upgrade gate appearance and operation.
- Regarding Security, owners liked the roving patrol, favored better enforcement of rules and in pursuing further security improvements, i.e. TV cameras. There was very high satisfaction with the recently implemented visitor card system.

- Regarding landscaping, the majority favored fostering programs that better integrate greenscene and desertscape with less reliance on seasonal plantings.
- A majority favored ICA collaboration with the HOAs in promoting architectural guidelines, and a palate of colors for exterior painting.
- The vast majority (85%) agreed that enhancing streets, gates, landscaping etc created favorable impact to property values and salability.
- Some interesting statistics:
  - 27% lived here year-round, 48% were seasonal and 25% used Ironwood for weekends and visits.
  - 46% have lived here over 12 years and 31% under 7 years.
  - 14% indicated their unit is available for rental which would imply that over 150 units are at times used as a rental.
  - 68% of the respondents were Club members.

### **C. COMPETITIVE ANALYSIS**

There are many gated communities in the Coachella Valley some of which have tennis facilities, some have golf, some are developer controlled etc. Some are large; some are small and more focused. There is no community quite like Ironwood. Ours is a large community, with a broad array of homes and a complex homeowner association structure. However, we believe that there is much to be learned regarding issues and best practices by visiting many of these communities. Our goal is to develop an understanding of their governance, financial, security and operational practices, compare them to Ironwood's and hopefully glean some new concepts or improved practices for Ironwood's ICA and HOAs.

To this aim, we interviewed seven such communities in 2007: Desert Horizons, Rancho La Quinta, The Springs, Morningside, Indian Ridge, Mission Hills and the Palm Desert Tennis Club. Palm Valley, Rancho Las Palmas and Monterey CC were looked at in terms of Club vs. homeowner contribution to common area expense sharing. Findings:

- **COMMUNITY FACILITY** – Most communities have a separate HOA building with offices for management and a meeting room for HOA and community use. Ironwood should seriously consider adding such a facility in the future.
- **COMMON AREA AND SERVICES EXPENSE SHARING** – Ironwood is unique in the relatively large amount of money our resident club contributes to community security, streets and other common area expenses. Ironwood Country Club pays 20% of ICA's non-cable operating expenses each year as stipulated in ICA's governing documents – about \$396,000 in 2008. Due to the passage of the Club-sponsored CC&Rs amendment in 2009, the Club contribution to ICA common area expenses will decrease 3% per year beginning in 2010, until 2012 when the Club contribution will be and remain at 11%. In the communities we interviewed, the resident club not only contributed significantly less, but in some cases received income from real estate transfer fees imposed on every unit sale, regardless of whether the buyer or seller were club members. This also means that Ironwood residents, who are Club members, pay more toward ICA expenses (through Club dues) than those Ironwood residents who are not Club members.

- GOVERNANCE – Ironwood clearly has the most autonomous HOA structure in the valley with 16 relatively independent HOAs and a central entity (ICA) with limited authority for planning, establishing and enforcing community standards. Ironwood's 16 HOAs average 67 homes each. In comparison, interviewed communities averaged 71, 363, 512, 817 and 870 homes per HOA respectively. Ironwood's history of sequential development and wider variety of home types are contributing reasons for the large number of Ironwood HOAs.
- SECURITY is a vital topic in most every community interviewed. Several are investing in expanded capability systems for both gates and perimeter.
- MANAGEMENT – Most communities have HOA management on site in a local facility. And, about half utilized their own employees for this purpose.
- COMMUNITY IMPROVEMENT – A number of communities are undergoing or planning special assessments to update and modernize their community, recognizing the need to remain competitive.
- ARCHITECTURE AND LANDSCAPING – Most communities have community wide guidelines. In Ironwood, each HOA has its own set.
- COMMUNICATIONS – There was a wide variance in capability. No one community stood out in terms of effectiveness. Several made better use of the local TV channel than we do by running videos, more frequent updates, etc.
- INSURANCE – Many are reducing or dropping HOA earthquake insurance because of the recent huge increase in commercial earthquake premiums.

## **D. SWOT ANALYSIS**

A SWOT Analysis (Strengths, Weaknesses, Opportunities, and Threats) is a method to evaluate market competitiveness, highlight critical issues and help focus on actions to be pursued.

<b>STRENGTHS</b>	<b>POTENTIAL ACTIONS</b>
Outstanding location with 3 adjacent upscale clubs and the Living Desert	Promote a more upscale appearance of housing and property to remain market competitive.
Two attractive golf courses, outstanding practice facilities and new Club facilities	Collaborate with the Club and HOAs on a landscaping initiative and theme.
Gated community with excellent security	Maintain a strong security initiative and promote to prospective owners.
Extensive greenbelt areas with attractive landscaping.	Coordinate community landscaping better. Promote walking and hiking.
Broad range of housing to appeal to a variety of potential owners.	Coordinate a community wide approach to lighting, landscaping, mail boxes, property maintenance, and architectural upgrades, including exterior colors.
On-site Real Estate office with linkage to Club.	Encourage its involvement in the community development activity.
Friendly community	Promote communications and friendliness.
<b>WEAKNESSES</b>	<b>POTENTIAL ACTIONS</b>
A historical lack of community governance. Cumbersome and inefficient governance structure.	Have ICA assume a more pro-active role in the community. Promote adoption of new CC&Rs for HOAs. Promote consolidation of some HOAs. Develop and gain support of a long term Strategic Plan.
Lack of community architectural and landscape guidelines.	Develop preferences in conjunction with HOAs.
Excess of rental units. Lack of larger condos required by current market.	Foster a more upscale community resulting in higher property prices. Promote the enlargement and upgrading of small condos.
Member dissatisfaction with gate appearance and functions.	Improve user friendliness and gate attention. Better utilize upper gate.
Owner satisfaction with ICA and the Management Agency.	Develop a mission and strategy, implement and communicate better.
Insufficient knowledge of owner expectations.	Perform a homeowner survey on a regular basis and address issues.
Lack of knowledge regarding competitive market place and practices	Collaborate with Real Estate office and DRM to perform study to maintain market intelligence.
35 year old community development	Collaborate with the Club and the HOAs to develop a long term community plan to improve market competitiveness.

OPPORTUNITIES	POTENTIAL ACTIONS
Maintain or accelerate the street upgrading project.	Original 15 year plan has been accelerated to 10 years; may consider additional acceleration.
Improve the landscape appearance.	Develop a community wide proposal with ongoing maintenance guidelines. Establish a landscape sub-committee with HOA and Club participation.
Develop a proposal to better support the upgrading of older units.	Perform architectural studies on how to improve carports, and better expand and upgrade units. Consider programs to help enable homeowner upgrades.
Improve the public image.	Collaborate with the Club and HOAs in reaching out to the City of Palm Desert and other organizations.
Reduce HOA operational expenses.	Promote collaboration efforts.
THREATS	POTENTIAL ACTIONS
Curtailement of water availability.	Better collaborate with CVWD on reduction in usage. Use more desert oriented landscaping.
Property damage from earthquakes.	Promote uniform earthquake insurance coverage that would support a better rebuild response should there be an event; develop an emergency preparedness plan.
Aggressive growth of newer communities and/or a recessionary market.	Foster continuous improvement and competitive value of community.
Loss of DRM as Management Agency.	Develop a back-up plan.

## **E. SUMMARY OF SIGNIFICANT FACTORS**

Ironwood is a golf and recreation oriented, gated community. As such:

### **LOCATION AND ENVIRONMENT**

Ironwood's strongest asset is its location. It is surrounded by 3 of the premier clubs in the desert and the Living Desert (which has been significantly improved over recent years). Its setting in the Santa Rosa Mountains provides breathtaking views, a cleaner environment, and lower temperatures compared to communities located down valley.

Ironwood was developed with wide streets and generous greenbelt areas. When combined with the 2 golf courses and the somewhat low density of housing, the community presents an attractive openness. Landscaping that complements the environment is very important. Owners take pride in this environment.

### **CLUB AND COMMUNITY SYNERGY**

It is important to recognize that the market appeal and value of homes is very dependent upon the attractiveness of the Club. As can be seen in the historical overview, the Club has evolved over the years from semi-private to one of the best private clubs in the Valley. The Club's recent large expenditures for capital improvements bode positively for the community, home sales, and prices. This view was strongly supported in the owner survey.

### **MARKET APPEAL**

An analysis indicated that about 55% of all homeowners belonged to the Club. Of these, 80% were golf members and 20% were tennis/social members. Club membership participation was the lowest in Associations I, II, and X, which are also the Associations with the highest number of rental units. It can be viewed that the Silver Spur strategy of a housing development with a focus on the southern California market 35 years ago is less appropriate for today's lifestyle and retirement oriented market. It would appear that the larger market is now retirees who spend more time in the desert and want more space. Many residents start out purchasing a condo unit and then move up to a larger home within Ironwood, or in the neighboring Summit or Monterra communities.

Most of the units in Ironwood are 25 to 33 years old with architectural styles and size that are less competitive with newer construction. As such, many owners have undertaken remodeling and upgrading projects. The price per square foot of condo units in Ironwood is somewhat higher than in nearby communities. Fostering the ongoing renovation and improvement of housing in Ironwood is an important community issue.

### **CONDOMINIUM RENTALS**

Many of the original unit owners purchased units for a combination of personal usage and rental income. Tax laws at that time were more favorable to this. It is estimated that at one time there were about 300 units available for rent. Silver Spur managed the rentals, as did the Club until 2005. Prior Club policies allowed renters of member owned units limited usage of the golf courses and tennis facilities.

Over time, the price of the units increased substantially, the tax laws changed, and the number of rental units decreased. The Club eliminated its managed housekeeping service in 2003, and also disallowed unaccompanied guests on the golf courses in 2004. In 2005, the Club decided to close the rental office and has eliminated the ability of

unaccompanied renters to use any Club facilities. There are still an estimated 150+ units being used as full or part time rentals, and the Ford Properties real estate office now manages some of these properties. Many of the smaller units may continue to lend themselves to renting. The availability of some rental units, if properly maintained, may be an asset to Ironwood. However, it would be preferable to have fewer rental units over time, as private ownerships are more apt to take better care of their properties and to become Club members.

Sales of units for rental purposes was a definite marketing strategy of Silver Spur. This is now a much less valid proposition based on high unit prices and the Club's usage policy. A study of the rental situation by the ICA and Club Planning Committees should be undertaken at some time.

## HOMEOWNER FEEDBACK

The recent survey indicated that owners agreed that the success of the Club and the upkeep of the community favorably impacted property values. Owners felt that ICA was best positioned to facilitate community wide landscape and architectural initiatives and promote HOA collaboration. A majority were in favor of seeing proposals to upgrade gate appearance and in fostering programs to better integrate greenscene and desertscape with less reliance on seasonal plantings.

## STREET MAINTENANCE

The owner diversity and differing attributes outlined above have no doubt impacted earlier ICA Boards regarding raising dues to accommodate necessary street resurfacing and other projects. Recent ICA Boards have raised dues to accommodate the ongoing major street repair program scheduled for completion in 2013-2014, depending on paving costs as well as factoring in the medians improvement project covered under the Enhancement Plan. This program was well appreciated in the owner survey.

## COMMUNITY GOVERNANCE

Ironwood is a fairly large and diverse community. The large number of HOAs, the differing attitudes and wants of those living in custom homes versus those living in smaller units, the Club members and non-members, and no doubt other factors contribute to differing priorities within the community that must be addressed by a collaborative effort between ICA, the HOAs, and the Club.

## SUMMARY

Ironwood is 35 years old and needs to foster continuous improvement to maintain its marketplace attractiveness and competitiveness. The significant facilities improvement program by the Club has proved beneficial in promoting new Club membership sales, which in turn should help home sales. The new 52-lot development with the attractive home sites has positively impacted the image of Ironwood. The increasing numbers of retirees from the baby boomer generation creates a growing market. However, each year the Valley continues to create new developments, resulting in a competitive market. In spite of Ironwood's many strengths, there are also some weaknesses that need to be addressed. The ICA Board is committed to developing a better understanding of market practices and collaborating with the Club and the HOAs to remain competitive in the upscale, planned community market.

## **SECTION II FIVE YEAR OBJECTIVES 2009-2013**

1. ORGANIZATION & GOVERNANCE – Support community so that all HOAs are responsibly managed, improvements are on-going, and a high degree of collaboration is achieved.
2. SECURITY & COMPLIANCE – Manage security, gate, visitor and vendor card system, perimeter and patrol such that homeowners feel secure as measured by survey. Consider Portola and Mesa View security actions.
3. STREETS – Complete current project in 2013-2014. Build reserves to maintain properly thereafter. Upgrade boulevard medians in conjunction with the street project.
4. ARCHITECTURE & LANDSCAPING – Work with HOAs to establish community preferences, share best practices, and build an architectural guideline preference model document for HOA consideration. Collaborate with the HOAs in developing landscaping guidelines to promote an improved and less disparate appearance.
5. IRONWOOD ENHANCEMENT PLAN – Develop long term community enhancement plan concepts in stages that will enhance livability, home values and community competitiveness. The major stages of the enhancement plan include the Boulevards and Medians project, the Parkway Plantings outside the curbs, and consideration of the gates. The conceptual plans for the Boulevards and Medians were reviewed with members in fall 2008/winter 2009 and the first phase approved by the board for 2009 construction. Planning for the Parkway plantings and the entry gates is deferred for the future.
6. COMMUNICATIONS – Conduct community council meetings 3X/annum, architectural and landscape forums annually. Seek balanced HOA participation on ICA board, committees. Maintain and continue to improve newsletter, website and TV channel 98.
7. WATER CONSERVATION INITIATIVE – Develop practices and standards for water usage and sprinkler control in spirit of City regulations for HOA consideration. Monitor and minimize nuisance water damage.
8. MANAGEMENT – Establish clear performance metrics and improve results so that 80% of homeowners rate ICA, their local HOA and DRM performance positively in survey.
9. EDUCATION AND TRAINING – Provide annual forums for HOA and ICA board and committee members to insure they are aware of state mandated operational and financial requirements.
10. FINANCE – Control operating expenses approximately equal to inflation. Maintain and communicate five year operating projections and 10 year capital plan while building reserves to needed levels. Reanalyze all assets and develop a sound 30-year and lifecycle reserve analysis that includes adequate provisions for ongoing asset maintenance.

## **SECTION III OPERATIONS**

The ICA is responsible for the care and maintenance of the streets, common area landscaping, the gates, and the security facilities. The Board, assisted by DRM, manages these areas. ICA also negotiates the contract with the television cable provider, which is an industry undergoing significant changes in technology and competitive practices.

Obviously, the image and appearance of the community is very important to maintaining market attractiveness and property values. There is also an overall benefit in maintaining a complementary image with the Club, since many potential home buyers are new or potential Club members.

Recognizing that Ironwood is 35 years old and that some of its infrastructure will need replacing; other image related assets will need updating to maintain market competitiveness and that there is the potential to better integrate the ICA, HOA and the Club's landscape initiative; the ICA Board established an Enhancement Committee during 2008. This ad hoc committee's overall focus is on improving Ironwood's competitive image. Areas to be studied include:

- The Mariposa, Irontree and Portola medians (within the gates) including landscaping, lighting, irrigation, signage and use of pavers.
- Landscaping including areas adjacent to the boulevards.
- All entrance gates
- Other items

The committee will collaborate with professional consultants in developing concepts for consideration. These will be presented to the Club, HOAs and owners for their review and feedback. The various ICA standing committees will also play a significant role in implementing the concepts that are developed and approved.

A brief overview of ICA's operational areas follows.

### **A. STREETS**

Most of Ironwood's streets are now over 30 years old and have endured the deterioration of time, weather, and utility company projects. Over the years, the streets had been minimally maintained. As such, a professional study was undertaken in 2003, which recommended a program to update and regularly maintain all streets. The study revealed that the original streets were installed on a sub-base that was inadequate by today's standards. This condition has also contributed to the deterioration, especially on the more heavily trafficked streets. Based on the study's recommendations, ICA embarked on a 15-year program to repair the original streets, starting in 2003 with the renovation of Boxthorn Lane. The program was subsequently accelerated and should be completed in 2014. The current estimated remaining project cost is \$3 to 4 million depending on the price of oil and other inflationary items. The program involves the removal of existing pavement and reprocessing it as part of the new application. The main streets will also receive a new stone sub-base, along with 3 inches of pavement. The side streets will receive a layer of Petromat and 2 inches of asphalt paving. All curbs will be repaired as required. After the repaving, all streets will receive a proper emulsion top coating to preserve their condition on a regular four-year basis.

Improvements to the Irontree and Mariposa medians including irrigation and electrical systems as well as landscaping, lighting and signage improvements will be implemented in conjunction with the street program.

To support this program, dues covering the reserve assessment were increased significantly in recent years, and again in 2008. Taking this approach allows the cost to be borne by those receiving the most on-going benefit. It is estimated that the annual cost to maintain the streets will be about \$85,000 once the project is complete. Based on a 30 year replacement life, an annual reserve provision of \$304,000 is necessary to support the street program.

## **B. GATES / LANDSCAPING STUDY**

One's first impression of Ironwood begins with a journey up Portola or along Mesa View and then an entrance through one of three gates. The Board began an enhancement study to evaluate these areas along with the landscaping along the Mariposa and Irontree parkways. The Club recently completed a major facility improvement project for the clubhouse and Tennis/Fitness Center. These projects include new landscaping to better complement the architectural style and the updated image. As such, a contract for the ICA community study was placed with the same firm that was handling the Club's project. One goal is to provide a more uniform and upscale, market competitive image for the community.

The initial study has focused on improving the boulevard medians in conjunction with the street improvement program. This program also includes lighting and signage. The longer term study will provide recommendations for:

- Improving the appearance of all the three gate areas with architecture and landscaping that complements the community image.
- Improving the landscaping along the Irontree and Mariposa Parkways, including parkway plantings outside of curbs.
- Improving the appearance along the Portola and Mesa View Parkways.

It is planned to achieve an attractive, contemporary, colorful desert landscape theme that can co-exist with our greenscape plantings and require less water and potentially lower maintenance costs. The program would be implemented in stages with recommended priorities to maximize its impact and market appeal. The overall concept will require collaboration and coordination with those HOAs that are adjacent to the streets involved, as well as with the Club and the City of Palm Desert, regarding adjacent properties. The project has been presented to homeowners for comment. Initial concept work was substantially completed in 2008 with the longer term projects to be more defined during 2009 and 2010. The Board will also analyze funding and timing alternatives and the need for any owner vote.

## **C. LANDSCAPING**

In addition to the major study outlined above, ICA will pursue other initiatives:

- A permanent Landscape Committee has been established that will facilitate preferences/guidelines for the community regarding trees, tree heights, desert plantings, flowers, etc. This committee will work with all parties to promote the landscape attractiveness of the community.
- Collaborate with the HOAs and the Club in developing a more integrated landscape appearance.

## **D. GATES**

In addition to the major appearance initiative outlined above, there has been a concerted effort to improve the "friendliness" of the gate operation to owners and other users by:

- Extending the staffing hours at the upper gate during the high season to accommodate guest usage.
- Improving the communications linkage between the main and upper gates to facilitate easier guest usage.
- Providing guests with a simplified map showing the main streets in the community.
- Continuing to evaluate the best alternatives for handling service vehicles.
- Studying how to improve the appearance and functioning of the gate arms.

## **E. SECURITY**

Ironwood has enjoyed an excellent record for its security. The contracted service regulates the flow of gate traffic as well as maintains a neighborhood surveillance. Daily inspections are made at construction sites to ensure that clean up and removal rules are being met. Obviously, Security is not a police department when it comes to rules enforcement. However, the CC&Rs provide the ability to impose fines, if necessary, for rules violations. An on-going issue has been excessive speeding and unsafe driving by some cars and golf cart users. Electronic speed monitors have verified that certain streets are prone to excessive speeding. Following are some contemplated and recent actions for maintaining and improving Ironwood's security:

- Employ a Director of Security Operations separately from the contracted guard service.
- Maintain a competitive pay structure to better minimize guard turnover. This has been a significant issue due to the competitive job market in the high growth Coachella Valley market.
- Maintain a reference manual that clarifies the guards' roles, responsibilities, actions, and responses to assure consistency of performance.
- Procure a radar gun and implement random surveillance.
- Install cameras at all operational gates.
- Eliminate the use of all swipe cards, relying solely on transponders. Monitor transponder usage.
- Establish a broader based Security Committee.
- Develop an emergency plan for earthquakes or other calamities.

## **SECTION IV GOVERNANCE AND COMMUNICATIONS**

In the past, the lack of cooperation and collaboration between and among Ironwood owners associations within the community was highlighted as a significant weakness. The fact that Silver Spur was on-site for nearly 20 years and played such a prominent role in controlling the Club, the CC&Rs, property sales, and management no doubt was a contributing factor. Having such a broad range of housing supported by so many HOAs also contributed to the situation. Likewise, the original CC&Rs for ICA did not establish any prominent role in coordinating community actions. Each of the individual HOAs was placed in charge of its landscape and architectural controls, etc. Ironwood was, in effect, several small villages with no one responsible to lead.

One of the factors that hampers governance and communication efforts is the seasonal presence of the owners and Board members. Only about 25% of owners live here year-round. As such, there is a strong need to have a competent and performing management agency to coordinate, facilitate, and communicate the Board's programs throughout the year. DRM serves this role for ICA and also helps most of the HOAs in conducting their business affairs. ICA's contract with DRM has been modified to better clarify their role and responsibilities. Consideration may be given in the future to re-locating representatives from the Management Agency to an on-site location as ICA assumes a more facilitative role in community governance, and as the various standing committees become more effective.

The new ICA Mission Statement states that ICA will take the lead in promoting community governance by providing certain services to the owners and the Club, as well as facilitating the cooperation and collaboration of ICA and the many HOAs to address community-wide issues. The ICA Board has established a Planning Committee, which includes representatives from the Club and several of the HOAs to develop this Plan and to update it annually.

The Planning Committee conducted a special governance study in 2007 to better understand this situation. It developed a special SWOT analysis including an input/feedback session with the Community Council and performed a unique organization planning exercise. The conclusions were:

- The historical governance structure had not adequately supported continuous improvement and market competitiveness.
- There are potential benefits from increased collaboration between HOAs, ICA and the Club and ICA is in the best position to facilitate.
- Use of competently staffed standing committees can promote collaboration, develop more uniform practices across HOAs, promote continuous improvements, etc. These committees can provide good Board candidates for ICA and the HOAs.
- The HOAs, ICA and the management agency need to build a relationship of mutual trust.
- There is a need to attract competent and committed individuals to serve on Boards and standing committees.
- There is a need to improve communication to the HOAs, the Club and to the community.
- The seasonality issue and the need for legal and administrative support dictates the need for professional management support. However, the analysis as well as the owner survey indicated a need for the management agency to work on improving its performance.

Based on these conclusions, the Planning Committee recommended these potential actions:

- Implement an on-going governance improvement strategy that is supported by the Community Council.
- Broaden and strengthen the ICA standing committee system to promote best practices.
- Encourage HOA presidents and their board members to serve on standing committees.
- Conduct regular meetings of the Community Council, broaden the agenda and gain support for the Strategic Plan and its initiatives.
- Strengthen ICA's Board effectiveness by better documenting management practices, and attracting competent and committed board members.
- Improve ICA Board diversity to better assure a Board that is more representative of the community.
- Facilitate the merger of HOAs where beneficial.
- Promote term limits to encourage broader owner involvement.
- Have a Club Board representative attend all ICA Board meetings and the Community Council.
- Motivate DRM to become proactive in its role and in assuring adequate back-up for key staff personnel.
- Evaluate establishing a General Manager for ICA and in sourcing some of the management agency's current responsibilities. NOTE – Effective November 2008, ICA has established a full time Community Association Manager at DRM to provide dedicated support.

A separate organizational study was conducted in 2007 to evaluate various ICA Board structure alternatives that might improve its ability to accomplish the plan objectives. There was no consensus as to changing the structure at this time but rather that the current structure is certainly adequate for its mission

Attached as Exhibit D is an organization chart for ICA. The exhibit provides a brief overview of the role of the directors and a chart depicting the current governance structure of Ironwood.

The governance study also highlighted the need for improved communication in the community. To this aim, ICA has initiated several approaches to improve communications:

- The Ironwood Community Council – Made up of all HOA presidents, the Club liaison, DRM, and ICA board; this body meets three times per season to discuss and address community wide matters. Agenda items are solicited from attendees, and an open forum section is scheduled so there is adequate time to raise issues of interest.
- Committees - ICA currently has nine committees whose membership is mostly HOA representatives. All are active and meet on a regular basis. Reports are given at each Ironwood Community Council meeting.
- Improved the community newsletter and made better use of channel 98.
- One-on-ones – The ICA president began the practice of meeting alone with each HOA president in spring of 2007 and has continued it each year.
- Email – Email updates are now sent to Ironwood Community Council members as news occurs. HOA presidents can forward these news items to their board members.
- Conducting Community forums on significant issues. To this end, the Enhancement Committee conducted forums soliciting owner input on this important issue.
- Launched a community website that will support ICA and the HOAs.

## SECTION V FINANCE

ICA uses the fund accounting system. There is an Operating Fund and a Replacement Fund. As capital projects (ones that do not currently exist in Ironwood) are considered they will be included in a separate Capital Fund that is separate but similar to the reserve fund.

**Operating Fund:** The Operating Fund is used to reflect all of the current revenue and expense items including replacements.

- Exhibit 1 displays income and expenses (past and projected) related to the Operating Fund together with changes in the fund balance. It displays revenue and expenses by major categories including the allocation for replacements each year. In the past, due to expenses in excess of revenues there has been a negative equity balance in the operating fund. Recent Boards have worked to eliminate that deficit and it is anticipated that equity will be maintained as a positive balance. Each year the Board votes whether to apply any excess revenues over expenses to operating fund equity or the replacement fund. Other than for emergencies, increases in regular assessments are limited to 20% of the prior year's assessment without a vote of the membership.
- Exhibit 2 displays an analysis of the homeowner's total monthly payment from 2007 to 2014.

Please note comments and assumptions at the bottom of Exhibit 2.

**Replacement Fund:** The purpose of the replacement fund is to provide for repair or replacement of the association's existing assets. The amount transferred from the Operating Fund to the Replacement Fund is the Replacement Allocation and is considered an operating expense. As required by California law an independent auditor annually prepares a Replacement Component Update, which is commonly referred to as the Reserve Study. The auditor uses both the Straight Line Method and the Cash Flow Method to disclose the adequacy of the reserves in the Replacement Fund to meet the ongoing funding obligation. The Board uses the Cash Flow portion of the Reserve Study as a planning tool. The Reserve Study appropriately makes assumptions regarding the lives of existing assets based upon their physical life and then projects in current dollars the amount of money necessary to provide for the major repair or replacement of those assets. By updating the assumptions annually in current dollars incremental adjustments in the assumptions can be made.

- Exhibit 3 depicts two years of history and the next nine years of the full life cycle analysis found in the Reserve Study. In Exhibit 3 the board has adjusted assumptions in the street expenditures made in the Reserve Study to coincide with the current street program; however as discussed in the Community Development section of this strategic plan there are studies underway that might accelerate the upgrading and replacement of certain assets or recommendation to approve new capital assets in order to enhance the community's appeal. As the plans are completed and decisions are made the replacement Reserve Study assumptions and that portion of the Reserve Study depicted in Exhibit 3 will be updated accordingly.

**Capital Fund:** If a decision is made to authorize construction of new improvements that do not currently exist in Ironwood (as opposed to the major repair or replacement of existing facilities that are reflected in the Replacement Fund) it would be considered a capital project. The CC & R's limit the board's authority to authorize capital projects to 5% of the current expense budget

in any year without a vote of the membership. A capital fund similar but separate from the Replacement Fund would be created for capital projects. If a significant capital project greater than 5% of the current year's budget was proposed and approved by the membership a funding source such as an assessment or debt financing would be part of the proposal. As discussed in the Community Development Section of this Strategic Plan various committees are studying elements to propose for the enhancement of Ironwood's image and market appeal. Some of those proposals would be considered capital projects and some would be considered changes in assumptions with respect to the Replacement Fund.

**Finance Exhibit 1  
Revenue and Expense and Changes in Operating Fund Balance**

	<b>Actual 2007</b>	<b>Actual 2008</b>	<b>Budget 2009</b>	<b>Forecast 2010</b>	<b>Forecast 2011</b>	<b>Forecast 2012</b>	<b>Forecast 2013</b>
<b>Revenue</b>							
Regular Assessment	\$1,664,520	\$1,983,140	\$2,075,580	\$2,100,587	\$2,128,676	\$2,159,769	\$2,267,758
Cable TV Income	\$353,247	\$354,264	\$358,788	\$368,067	\$380,439	\$392,811	\$405,183
Transponder Income	\$132,209	\$172,327	\$157,500	\$125,000	\$125,000	\$125,000	\$125,000
Other	<u>\$12,598</u>	<u>\$8,414</u>	<u>\$10,000</u>	<u>\$10,000</u>	<u>\$10,000</u>	<u>\$10,000</u>	<u>\$10,000</u>
<b>Total Revenue</b>	<b>\$2,162,574</b>	<b>\$2,518,145</b>	<b>\$2,601,868</b>	<b>\$2,603,654</b>	<b>\$2,644,115</b>	<b>\$2,687,580</b>	<b>\$2,807,941</b>
<b>Expenses</b>							
Administrative	\$521,958	\$595,047	\$665,850	\$673,246	\$693,876	\$714,760	\$735,906
Utilities	\$60,788	\$66,687	\$75,150	\$77,029	\$78,954	\$80,928	\$82,952
Landscape	\$188,818	\$192,938	\$203,520	\$215,241	\$227,089	\$237,810	\$259,138
Security	\$584,837	\$611,048	\$636,000	\$681,523	\$698,561	\$716,025	\$733,925
Ground/Bldg Maintenance	<u>\$91,602</u>	<u>\$83,758</u>	<u>\$86,844</u>	<u>\$63,038</u>	<u>\$64,613</u>	<u>\$66,229</u>	<u>\$67,884</u>
<b>Total Expenses</b>	<b>\$1,448,003</b>	<b>\$1,549,478</b>	<b>\$1,667,364</b>	<b>\$1,710,075</b>	<b>\$1,763,094</b>	<b>\$1,815,751</b>	<b>\$1,879,806</b>
<b>Reserve Allocation</b>	<b>\$622,500</b>	<b>\$890,004</b>	<b>\$934,504</b>	<b>\$893,579</b>	<b>\$881,021</b>	<b>\$871,829</b>	<b>\$928,135</b>
<b>Total Revenue Needs</b>	<b>\$2,070,503</b>	<b>\$2,439,482</b>	<b>\$2,601,868</b>	<b>\$2,603,654</b>	<b>\$2,644,115</b>	<b>\$2,687,580</b>	<b>\$2,807,941</b>
Excess Revenue (Expense)	\$92,071	\$78,663	\$0	\$0	\$0	\$0	\$0
Beginning Operating Fund Balance	(\$2,012)	\$576	\$0				
Transfers to Reserve Fund	<u>(\$89,483)</u>	<u>(\$79,239)</u>	<u>\$0</u>				
Ending Operating Fund Balance	\$576	(\$0)	\$0				
<b>Percentages</b>							
Club Portion	20%	20%	20%	17%	14%	11%	11%
HOA Portion	<u>80%</u>	<u>80%</u>	<u>80%</u>	<u>83%</u>	<u>86%</u>	<u>89%</u>	<u>89%</u>
	100%	100%	100%	100%	100%	100%	100%
<b>Voting Power</b>							
Club Portion	266.5	266.5	266.50	218.34	173.53	131.75	131.75
HO Portion	<u>1066</u>	<u>1066</u>	<u>1066.00</u>	<u>1066.00</u>	<u>1066.00</u>	<u>1066.00</u>	<u>1066.00</u>
	1332.5	1332.5	1332.50	1284.34	1239.53	1197.75	1197.75
<b>Assessment</b>							
Club Portion	\$332,904	\$396,628	\$415,116	\$357,100	\$298,015	\$237,575	\$249,453
HO Portion	<u>\$1,331,616</u>	<u>\$1,586,512</u>	<u>\$1,660,464</u>	<u>\$1,743,487</u>	<u>\$1,830,662</u>	<u>\$1,922,195</u>	<u>\$2,018,304</u>
Total Assessment	\$1,664,520	\$1,983,140	\$2,075,580	\$2,100,587	\$2,128,676	\$2,159,769	\$2,267,758

**Comments & Assumptions:**

In its normal budget cycle, ICA projects the current year in August for purposes of developing the budget; this projection is reflected in 2009.

For purposes of planning we assume inflation is 5% per year.

In 2007 ICA renegotiated a 5-year contract with Time Warner to provide cable services to Ironwood. The negotiated price is approximately 40% less than retail and the savings are passed directly through to homeowners. The contract expires in 2012.

**Finance Exhibit 2  
Analysis of Homeowners Monthly  
Payment**

	<b>2007 Actual</b>	<b>2008 Actual</b>	<b>2009 Budget</b>	<b>2010 Forecast</b>	<b>2011 Forecast</b>	<b>2012 Forecast</b>	<b>2013 Forecast</b>
<b>Regular Assessment</b>							
Operating Fund Portion	65	68	73	78	84	90	93
Reserve Allocation	<u>39</u>	<u>56</u>	<u>58</u>	<u>58</u>	<u>59</u>	<u>61</u>	<u>65</u>
<b>Total Regular Assessment</b>	104	124	130	136	143	150	158
Annual Increase	22%	19%	5%	5%	5%	5%	5%
Cable TV	<u>29</u>	<u>29</u>	<u>29</u>	<u>30</u>	<u>31</u>	<u>32</u>	<u>33</u>
<b>Monthly Payment per Homeowner</b>	<b>133</b>	<b>153</b>	<b>159</b>	<b>166</b>	<b>174</b>	<b>182</b>	<b>191</b>
Annual Increase	16%	15%	4%	5%	5%	5%	5%

**Comments and Assumptions:**

Same as last year except for a discussion of the effect of the Club vote and Enhancement Plan which will extend the estimated completion date of the program by an estimated 2 years.

The ICA regular assessment has two major components: the amount needed to fund the operating account and the amount that is collected for the reserve account. In addition, ICA passes through the cost of Cable TV to owners. Not shown on the schedule is the effect of Transponder and Other Income that offset a portion of our operating costs, which reduces the requirement to raise assessments further.

**Replacement Fund  
Exhibit 3**

	<b>Actual 2007</b>	<b>Actual 2008</b>	<b>Budget 2009</b>	<b>Forecast 2010</b>	<b>Forecast 2011</b>	<b>Forecast 2012</b>	<b>Forecast 2013</b>	<b>Forecast 2014</b>	<b>Forecast 2015</b>	<b>Forecast 2016</b>	<b>Forecast 2017</b>	<b>Forecast 2018</b>
<b>Revenue</b>												
Annual Allocation from Operating Fund	\$622,500	\$890,004	\$934,504	\$893,579	\$881,021	\$871,829	\$928,135	\$340,800	\$340,800	\$340,800	\$340,800	\$340,800
<b>Expenses</b>												
Streets	\$676,769	\$727,468	\$708,180	\$602,006	\$757,365	\$639,395	\$715,838	\$547,120	\$36,620	\$30,000	\$40,397	\$35,000
Entry Gates	\$5,555	\$4,012	\$20,000	\$37,300	\$20,000				\$3,300			
Landscaping & Irrigation	\$1,106	\$27,204	\$23,316	\$36,624								
Lighting		\$1,244	\$28,272	\$30,632	\$30,632	\$15,632	\$5,632					
Painting	\$5,300	\$2,050			\$15,980							
Security		\$96,924										
Signage			\$24,000	\$30,000			\$54,000					
Medians & Other			<u>\$163,311</u>	<u>\$152,901</u>	<u>\$203,244</u>	<u>\$43,000</u>						
<b>Total Expenses</b>	<b>\$688,730</b>	<b>\$858,902</b>	<b>\$967,079</b>	<b>\$889,463</b>	<b>\$1,027,221</b>	<b>\$698,027</b>	<b>\$775,470</b>	<b>\$547,120</b>	<b>\$39,920</b>	<b>\$30,000</b>	<b>\$40,397</b>	<b>\$35,000</b>
Replacement Reserves Over Expenses	(\$66,230)	\$31,102	(\$32,575)	\$4,116	(\$146,200)	\$173,802	\$152,665	(\$206,320)	\$300,880	\$310,800	\$300,403	\$305,800
Beginning Fund Balance	\$160,234	\$94,004	\$217,176	\$267,000	\$271,115	\$124,916	\$298,717	\$451,382	\$245,062	\$545,942	\$856,742	\$1,157,145
Interfund Transfers		\$92,070	\$82,399									
<b>Ending Balance</b>	<b>\$94,004</b>	<b>\$217,176</b>	<b>\$267,000</b>	<b>\$271,115</b>	<b>\$124,916</b>	<b>\$298,717</b>	<b>\$451,382</b>	<b>\$245,062</b>	<b>\$545,942</b>	<b>\$856,742</b>	<b>\$1,157,145</b>	<b>\$1,462,945</b>

**Comments:**

In 2005 the ICA Board determined that ICA was substantially under funding reserves, particularly as it related to funding the major repair of Ironwood streets. Subsequent Boards have authorized increased in the regular assessment of approximately 20% in years 2006, 2007 and 2008 to provide for the funding of major street repairs and upgrades. Construction costs and oil prices are difficult to estimate in the current environment.

The schedule takes into account both reduced Revenue Allocation from the Operating Fund due to the passage of the Club vote and the inclusion into the Street Program of the Enhancement Plan. The result of these two changes has moved the completion date of the project from 2012 to 2014.

## EXHIBIT A

### HISTORY

Silver Spur Associates launched the gated community of Ironwood in 1972. General Electric Company was a major partner and Arnold Palmer was also an investor and a valuable asset in the partnership. The concept included a gated community built around two golf courses and a tennis facility. The housing was to compete with modest housing being built in the Valley at that time, as well as some mid-range and expensive homes.

The developers had acquired a substantial parcel of land in an excellent location and had thoughts of building up to 3000 units. It appears that their plans changed over time, including their plans for the golf courses. Their targeted market was southern Californians who could access the community on weekends and holidays. In fact, many of the units were purchased as investments, as such, the units could be rented or used by the owners. Silver Spur had a very well organized rental and sales operation.

Seven models were built in late 1973 and the first 100 units were completed in 1974. The South golf course and the tennis facility were launched in 1974 as well. During the early years, 14 different Homeowner Associations were established. Each Association included like-types of units such as the garden villas, the Skyview homes, the courtyard villas near the tennis courts, etc. Associations I and II "Garden Villas" were launched first and were the smaller units. Association XII located by the waterfall at the top of Ironwood was the last major condo association launched, and it also had the most units, with 150. Association XIII was the smallest of the original Associations, having only 14 units. This is where the models were sited, as well as the original sales and rentals building. Association IX and XI were designated for custom built homes, and Association XIV was for the more prestigious fairway homes, many of which were located along the eighteenth hole of the North Course. Enclosed is a map of the development and an exhibit that lists all of the Associations, including the type of homes and the number of units. As can be seen in the exhibit, the number of units in each Association varies greatly.

It is of interest, that when the developer set about acquiring the original land parcels, some celebrity land owners (Bing Crosby, Phil Harris, and Randolph Scott) did not sell their property to the developer. As such, their land was located within the gated community, and they had access rights to their property, but were not a part of ICA. Two Associations 15 and 16 were recently established on some of this celebrity owned land and included 28 lots designated for custom homes on ½ acre lots. Most recently, the Canyon View Estates development was established with 52 lots on land purchased by the club from the Coachella Valley Water District and subsequently sold to Discovery Development. These three latest developments feature custom built homes built on larger, view lots competing in the valley's high end market.

In 2006, the Crosby Estates Association 15 voted to merge with Association 9 since they had similar homes and were adjacent to each other. In addition, the Randolph Scott property was sold to a developer resulting in five new lots becoming part of Association 9. ICA was very supportive of these efforts as having fewer HOAs helps reduce the complexity of the community's governance structure.

As can be seen, Ironwood evolved over an extensive period of changing times and economic environments. The developer's planning changed and what started out to be nearly 3000 units ended up nearer to 1050. There was also a significant flood experienced in 1976, which had a major impact on the golf courses and the clubhouse, and no doubt housing construction and

sales as well. After the flood, Ted Robinson was retained to re-design most of the South Course. He also completely re-designed the North Course, which, at that time had been 9 holes and had been destroyed by the flood.

In the beginning, Ironwood Country Club was a semi-private golf and tennis club. This approach accommodated golfers who rented from condo owners. In October 1984, Silver Spur issued a set of by-laws for the operation of the golf, tennis, and social/recreational facilities. These accommodated a variety of club memberships such as residential, non-residential, etc., and set a maximum of 1000 golf memberships. This was the initial step toward club privatization.

In 1985, an advisory panel was organized by the members to provide input to Silver Spur. This panel was comprised of the Presidents of the Homeowner Associations, the Men Golfers of Ironwood, the Women Golfers of Ironwood, and the Tennis Club. This panel ceased in 1989 when a group of members joined together to purchase the Club and its facilities. Silver Spur sold off its remaining un-built lots and exited.

The developer established the Ironwood Master Maintenance Association (IMMA) in the early years. The gates, the streets, and various green belt areas owned by the developer (now the Club) were assigned to IMMA and this Association assumed responsibility to maintain those assets and to manage the security function. In this manner, all residents, the Club, and the developer shared in the cost of providing these common services to the community. Each lot or unit owner has one vote in IMMA. The golf and tennis clubs each owned 10% of the total IMMA votes. As such, Ironwood Country Club owned 20% of the votes, and also provided 20% of IMMA's total operating costs.

The original charter of IMMA was very limited. Each of the HOAs had its own CC&Rs to govern itself. An IMMA director could be re-elected many times, and many served for long periods. The Club, IMMA, and the homeowner associations did little in collaboration. In 2002, the Club assumed a more active interest in IMMA and outlined some thoughts regarding the community and its direction in the Club's Strategic Plan. The Club's intent was to support IMMA director candidates who favored a broader and more collaborative role for IMMA. In 2005, the IMMA Board modified its rules so that no director could serve for more than two consecutive terms. In 2005, the IMMA Board re-drafted the CC&Rs and By-laws as discussed in the introduction to this plan. The new CC&Rs established the foundation for IMMA to assume a broader role, which is now reflected in its Mission Statement. The IMMA Board and the homeowners have approved the elimination of the words "maintenance" and "master" from its title and the association is now known as the Ironwood Community Association (ICA), which better reflects the community need and the Boards approach.

In 2007 the ICA established a number of standing committees to help foster collaboration within the Association structure. It also established the Ironwood Community Council (ICC) that includes the Presidents of the homeowner Associations, a liaison from the Club Board and the ICA Board. This counsel meets regularly to improve communication and collaboration and establish priorities.

In 2008, the Club petitioned ICA to conduct a vote in order to amend the governing documents reducing its participation and voting share from 20% down to 11% in three equal steps starting in 2010 and ending in 2012. The vote was conducted by ballot in early 2009 and the Club received the required number of votes for the amendments to pass.

In the early years, Silver Spur maintained much of the control and administration of the various Associations since it controlled most of the vote. Eventually, this management role was

contracted to Desert Resort Management (DRM), which currently provides a management and advisory role to ICA and most of the HOAs. This is an important role, since the majority of owners, and the Board Members of most HOAs are away from the Valley about six months of the year. The competence and effectiveness of the management agency is therefore an important factor in the success of the community.

The ICA Planning Committee conducted a number of analyses as to how to improve the effectiveness of governance in the community and within ICA. As a result, in 2008 the position of Community Association Manager (CAM) was established, working full time in support of ICA and its broadened agenda. The position is maintained under DRM and supports the work of the ICA Board, the Community Council and the standing committees.

## EXHIBIT B

### HOMEOWNER ASSOCIATION DATA

Ironwood is unique in its diversity of housing types and number of homeowner associations. Every Ironwood homeowner belongs to two HOAs: the Ironwood Community Association (all 1066 homesites) and their own local HOA. Here is a listing of all 17 Ironwood HOAs.

ASSOCIATION	# OF UNITS	TYPE OF HOMES
ICA	1066	All Ironwood
I	46	Garden Villas
II	102	Garden Villas
III	37	Skyview & Fairway Resort
IV	37	Fairway Resort
V	70	Desert Villas
VI	54	Skyview
VII	89	Skyview
VIII	128	Desert Villas
IX	58	Custom
X	100	Courtyard Villas
XI	65	Custom
XII	150	Vista Villas
XIII	14	Vista Villas & Skyview
XIV	39	Fairway Estates
The Estates	18	Custom
Canyon View Estate	52	Custom
Non HOA Units	13	
Non ICA paying Units	4	

# EXHIBIT C IRONWOOD MAP



C:\IRONWOOD\_BIG\_MAP.DWG

1-5-2008

## IRONWOOD MASTER MAINTENANCE ASSOCIATION

Prepared by

**Site Plan Advantage**

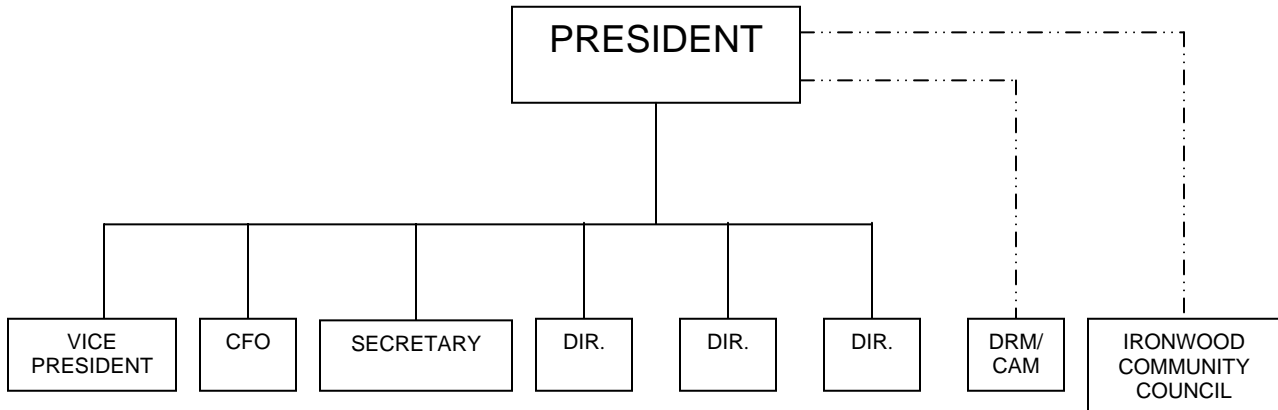
5111-D Renaissance Avenue San Diego, CA 92122

(858) 452-7430

OVERALL MASTER HOA MAP

## EXHIBIT D

### ICA ORGANIZATION CHART



The ICA Board consists of 7 directors who are responsible to elect the officers and chairs of standing committees.

#### PRESIDENT

Acts as the "executive head" of ICA. DRM reports directly to this position and supports and carries out the Board's directions, and maintains the day-to-day operational responsibilities of ICA. The President oversees the management contract with DRM and conducts an annual review of their performance. The President creates the agenda and chairs all Board and organizational meetings, as well as the Community Council. The President is the sole spokesperson for the Board.

#### VICE PRESIDENT

Acts in the stead of the President and, along with the other Board members, may serve as chair of a standing committee.

#### CHIEF FINANCIAL OFFICER (CFO)

Is responsible for monitoring the collection, deposit, disbursement, and accounting of all monies and property of ICA. This is accomplished in conjunction with the management agency. This position is responsible for developing all financial plans and the financial input to the strategic plan. The CFO oversees all banking relationships and monitors all audits and tax filings in conjunction with the management agency. It also maintains a Financial Policy Manual. This position chairs the Finance Committee.

#### SECRETARY

Maintains the minutes of the meetings of the members and of the Board. It is responsible for the safe-keeping of all ICA records. Much of the Secretary's effort is facilitated by the Management Agency, however, it is the Secretary's role to review and maintain the accuracy of all minutes and to make sure all motions are properly recorded. The Secretary is responsible for recommending changes, and for the updating of ICA's CC&Rs and by-laws, and to assist all Ironwood Homeowner Associations with the updating of their CC&Rs and by-laws as appropriate. This position maintains an awareness of any legal issues that may impact ICA documents and assists the various committees in this regard.