



**Final Minutes of the Board Meeting  
held on October 20, 2022  
via Google Meet, 6:00 to 8:00 p.m.**

1. **Call to Order:** N. Ceccarelli called the meeting to order at 6:01 p.m. and asked for a roll call of board members.
  
2. **Attendees:** Board members: N. Ceccarelli, D. McFarland, D. Vlastic, C. Peachey, J. Levin, P. McCawley, and K. Whitmire. Absent: C. Barney. A board quorum was present. Roll call of other attendees was not taken. Members identified by video or phone presence for any part of the meeting were: S. Crosby, J. Browning, J. Rossbach, R. Kling, T. Smith, M. Shelburne, K. Tribby, B. Crouch, L. Hritz, S. and G. Barton, R. Barfield, S. Togneri, and at least one additional phone number.
  
3. **President's Report:** No formal report, expressed thanks to board members for their work.
  
4. **Treasurer's Report**
  - a. **Financial update.**
    - i. Checking balance \$23,791.25. Savings/reserve balance \$21,018.76.
  
    - ii. We are in the beginning stages of a full road grade. We budgeted \$12K for this. After this is paid for, we will have approx. \$11,791 in the checking account.
  
    - iii. We've recently written checks for insurance and taxes.
  
    - iv. There is \$10,708.54 left in the 2022 budget.
  
  - b. **Preliminary work on the 2023 budget.**
    - i. Putting together numbers now. Dustin will send some estimates for road work.
  
    - ii. If all 136 lots pay assessments of \$180 per lot, association income will be \$24,480. Adding 10%, income would be \$26,928. Adding 20%, income would be \$29,376.
  
    - iii. If we have further overspending this year or next, the checking account will be drawn down further.
  
  - c. Question from the board: What is the 2022 budget? It started at \$23,986. The board added \$6700 more for road repairs, bringing the total budget for the year to \$30,686.

- d. Question from the board: What is our percentage of collection? Approximately 90%. About 12 lots are delinquent, owing some or all of the 2022 assessment. Two overdue notices we sent out were returned as undeliverable. N. Ceccarelli requested a full report on delinquencies within a couple of weeks.

## 5. Committee Reports

- a. **Roads.** P. McCawley reported that he and K. Whitmire are board liaisons to the committee. There have not been any meetings yet, we hope to have one before the annual meeting. The big grading is going on now. We have spent a lot of money on repeated maintenance of the roads. We need a sustainable solution. Prices have gone up. N. Ceccarelli requests that if any POs are having trouble, please do not take it out on the contractor or neighbors. Please call Nance, Paul, or Keri. Also, please slow down on the roads. An engineer is coming in January to help assess the roads.

## 6. Old Business

- a. **Approve the minutes of the Sept. 22 and Oct. 5 meetings.** C. Peachey reported she made minor changes to the minutes to record votes as Y-N-Abstain, and grammatical changes. **D. McFarland moved to accept the minutes** as changed. J. Levin seconded. **Roll call vote:** Yes=NC, DM, DV, CP, JL, KW, PM. **Motion carried 7-0.**
- b. **Resolution on board member terms.** C. Peachey summarized the resolution previously distributed and posted (see attached). D. McFarland **moved to accept the resolution** as published. P. McCawley **seconded.** The board received no PO feedback prior to the meeting and had no other discussion today. After receiving no PO discussion, a **roll call vote** was taken: Yes=NC, DM, DV, CP, JL, KW, PM. **Motion carried 7-0.**
- c. **Filling the vacant board seat.** N. Ceccarelli summarized that the board invited the two candidates from the August 5 election who received the next highest vote counts to be considered for the board vacancy. Both expressed their willingness to serve. Each candidate gave a short statement at the meeting. D. McFarland **moved to select G. Barton for the open board seat.** K. Whitmire **seconded.** J. Levin **moved to select S. Crosby for the open position.** D. Vlasic **seconded.** After discussion of the procedure to use for a board vote on this topic, both motions remained on the floor. Board members and then other property owners made statements of support for the candidates. Discussion of process included that normally property owners would fill the seat by election and that this appointment is to cover the period until the next election. The bylaws state that the board needs to fill a vacancy by the end of the next board meeting unless an election is to be held. In this case, the board decided at the Oct. 5 meeting to appoint someone to the seat at this Oct. 20 meeting. A **roll call vote** was taken for each of the motions.

- i. **Motion to select G. Barton for the open board seat:** Yes=NC, DM, KW, PM. No=DV, CP. Abstain=JL. **The motion carried 4-2-1.**
- ii. **Motion to select S. Crosby for the open board seat:** Yes=DV, CP, JL. No=NC, DM, KW, PM. **The motion failed 3-4.**

## 7. New Business

- a. **Annual Meeting agenda.** A few agenda items were suggested: the budget; updates from POA insurance agent; updates from POA attorney, e.g., to provide HOA law updates. The board will send out an email to all property owners to ask for their agenda ideas by Nov. 1. Board officers can meet on Nov. 2 or 3 to finalize the agenda so the announcement can be mailed no later than Nov. 10. Time and place of the meeting were not finalized. Schieffelin Hall in Tombstone is available.
- b. **Options for legal retainer.** (N. Ceccarelli).
  - i. Jason Smith knows the association well and provides support through phone calls and emails for \$600/year. We have or will soon receive an invoice for next year and need to decide whether to maintain the same relationship, expand the relationship, or seek other options. We can discuss options at a future meeting.
  - ii. We have an opportunity to ask him to represent the association at the upcoming (Nov.) Arizona Department of Real Estate (ADRE) hearing in the PO challenge to the July 2022 election process. This prevents the current board, which was not in office at the time of this election, from being asked to represent the association and being put in a conflicted position. **N. Ceccarelli stated she would entertain a motion to approve engaging Jason Smith to represent HLRPOA before the ADRE administrative hearing. D. McFarland so moved. P. McCawley seconded.** The cost is estimated to be \$500 to \$1500. This would be approving the board to request a letter of engagement from the attorney. A board member said the reserve fund could be used if needed. During member comments, a PO noted that the reserve fund is to be used for road maintenance only, according to the bylaws. There being no other member comment, a **roll call vote** was taken. Yes = NC, DM, DV, CP, JL, KW, PM, GB. **Motion carried 8-0.**

## 8. Call to Membership

- a. R. Kling pointed out that a board member has missed three meetings and according to the bylaws, needs to be notified in writing of pending dismissal from the board. N. Ceccarelli responded that the board was made aware of the reasons for absence, so this action was not necessary at this time.

9. **Next Meeting Date:** D. McFarland **moved to forego a November meeting and hold the next board meeting at the Dec. 10 annual membership meeting.** K. Whitmire **seconded.** J. Levin **amended the motion** to set a date for a November meeting, should it be necessary, and decide to hold or cancel this meeting within 2 weeks of the date. After further discussion, J. Levin **withdrew the amendment.** The date of a Dec. 10 board meeting was **approved by voice vote**, all in favor, no objections.

10. **Comments from Board Members for the Good of the Order**

- a. J. Levin stated that a board of nine members means the officers can meet without notice and without the other board members knowing, as the four officers do not constitute a quorum. This was not allowable with a smaller board. This practice means that the rest of the board may not know about all issues. C. Peachey stated that she plans to inform all board members of the content of any officer meetings.
- b. P. McCawley stated he has done a lot of thinking about making the ranch roads passable. It may take hundreds of thousands of dollars that may or may not get invested.

11. **Adjourned** at 7:44 p.m. D. McFarland **moved**, J. Levin **seconded**, carried by **voice approval**.

Submitted by Claire Peachey, HLRPOA Secretary

## **Resolution on Board Member Terms**

October 2022

There was a complete turnover of board members in July and August 2022. Therefore, the new board that was elected on August 5 needs to determine the term of office for each member so as to set up staggered three-year terms (per bylaws 4.2).

Also, since the next board election would normally take place at the March 2023 Annual Membership Meeting, which is only a few months away, the board considers it prudent and reasonable to wait until the 2024 Annual Membership Meeting to hold the next board election. This way, no member will have a term lasting less than one year. Instead, the terms of the current board members will be approximately six months longer than normal.

The board resolves that the recently elected board members shall have the following terms:

Three-and-a-half year term (to March 2026):

Nance Ceccarelli  
Deb McFarland  
David Vlasic

Two-and-a-half year term (to March 2025):

Joel Levin  
Claire Peachey  
Keri Whitmire

One-and-a-half year term (to March 2024):

Chris Barney  
Paul McCawley  
Vacant seat