



**FINAL Minutes of the Board Meeting
held on December 10, 2022
via Google Meet, 12:00 to 1:00 p.m.**

1. **Call to Order:** N. Ceccarelli opened the meeting at 12:00 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, K. Whitmire, C. Barney, and G. Barton. All board members were present. Roll call of other attendees was not taken. Members/POs identified by video or phone presence for any part of the meeting were: B. Crouch, E. Ahearn, J. Knox, J. Rossbach, K. Tribby, M. Shelburne, R. Beusgens, T. Miller, T. Smith, R. Barfield, and additional phone numbers.
3. **Agenda:** P. McCawley **moved to amend the agenda to include approval of minutes of prior meetings.** Keri **seconded.** There was a call for discussion, none was heard from the board or members. **The motion carried by voice approval, no objections.**
4. **Approval of Minutes.**
 - a. J. Levin **moved to approve the minutes of the October 20 board meeting with corrections.** Paul **seconded.** The two changes were shown on screen (in sections 4.a.iv, 4.b.ii). With no board or member discussion, a voice vote was called. **The motion carried with no objection.**
 - b. P. McCawley **moved to approve the minutes of the December 1 board meeting.** C. Barney **seconded.** No board discussion. Question from member regarding the decisions made by consensus in executive session at the 12/1 meeting: should these be made and reported in open meeting? N. Ceccarelli stated that the board reached consensus in discussion. Board did not take any action or pursue a motion, the status quo was maintained. After no further discussion, a voice vote was called. **The motion carried with no objection.**
5. **2023 Budget and Assessment.** D. Vlastic **motioned to approve the proposed 2023 budget.** J. Levin **seconded.**
 - a. D. Vlastic went over the details of the proposed 2023 budget (attached), which includes a 20% assessment increase to \$216 per lot. He noted that we have the lowest amount in our checking account in years, with little extra to fall back on. Several topics were discussed by the board:
 - i. Why was grading so high this year? A grading was called off after the machinery was already here, we were charged \$1400 plus a late fee after not paying the invoice on time.

- ii. Can any of this year's invoices be paid from the reserve? We did not exceed the repair budget.
 - iii. Reminder that \$6700 unspent budget from 2021 was rolled over into the 2022 road budget.
 - iv. Perhaps we can change the assessment increase to 15% instead of 20%.
 - v. What is the minimum our checking account should be?
 - vi. If we want to make repairs to the roads, we need money in the budget. Even with this increase, we may need to go into the reserve to make necessary fixes to the roads.
 - vii. The assessments were reduced in the past and then not raised in line with increasing costs. No one is thrilled with an increase, but regular incremental increases with inflation make sense.
 - viii. Need to study the reserve fund.
- b. Discussion was opened to members. Several topics were discussed:
- i. Are we going to adhere to the road maintenance resolution passed in August? Without funding, adhering to the resolution is impossible. There is a desire to make the commitment as outlined in the resolution, but significant funding is needed, significant repairs are needed.
 - ii. Can we figure out how to help property owners who are doing work to improve roads and make them passable? Help with diesel fuel, for example.
 - iii. Property owners will want a clear plan before spending significant money on the roads. Nature is hard to fight against. Can the engineers who come next year propose realistic, economical solutions given our circumstances.
 - iv. Property owners would like visibility on what road work is planned, when, and what is accomplished, to be able to understand how our money is being spent.
- c. **Call for vote.** There being no further discussion, a roll call vote was called. All nine board members voted yes. **The motion carried unanimously.**
- d. J. Levin **moved to transfer \$1000 from the reserve/savings account to the operational/checking account.** K. Whitmire **seconded.**
- i. The reserve fund contains \$21,000. At today's annual meeting, aspects of the fund were discussed. It was stated that at a past board meeting years ago, there was a discussion (no formal vote) to keep the reserve fund at \$20,000. Could \$1000 be moved to the operating account to help lower the assessment increase? And/or boost the checking balance? Does the reserve fund need to be \$20,000? It was stated the reserve is to be used for roads only. We need a reserve study.
 - ii. Board discussion of motion: Many board members did not have strong feelings either way about moving \$1000 to the operating fund. The reserve funds are easily accessible. Will it make a difference? The funds are for roads if kept in reserve.

- iii. **Call for vote:** There was no further board or member discussion, so a roll call vote was called. **The motion carried 8-1** (Yes = CB, KW, GB, DV, CP, DM, NC, JL. No = PM).
6. **Prioritization of Issues to Address in 2023:** Because of the hour, N. Ceccarelli **moved to table strategic planning until the next board meeting in January**. J. Levin **seconded**. No board discussion.
- a. Member discussion:
 - i. A member requested transparency and noted that officer meetings are not transparent. N. Ceccarelli corrected herself to state that priorities will be addressed in open meeting. The officer meeting is to set the agenda.
 - ii. A member suggested the board can look into providing insurance coverage for property owners who volunteer to work on the roads. It may impact the cost of the policy.
 - iii. A member suggested purchasing a defibrillator for the neighborhood and is looking for volunteers to host defibrillator equipment at their homes and be on call to assist if needed. Please contact Todd Miller if interested.
 - b. **Call for vote.** There being no further discussion, a voice vote was called. **The motion carried with no objection.**
7. **Adjourned** at 1:36 p.m. J. Levin **moved**, C. Barney **seconded**, **carried by voice approval with no objections.**

Submitted by Claire Peachey, HLRPOA Secretary

HLRPOA proposed 2023 budget

PROPOSED REVENUE

136 members X \$180.00 = \$24,480.00 with zero increase
136 members X \$198.00 = \$26,928.00 with 10% increase
136 members X \$216.00 = \$29,367.00 with 20% increase

TAXES

Arizona income tax	\$ 50.00
Cochise county property tax	\$ 35.00
Arizona corp commission fee	\$ 10.00

SERVICES

Insurance	\$ 1,900.00
Legal	\$ 2,000.00

COMMON AREA

Road grading	\$ 14,000.00
Road repair	\$ 9,800.00
Windmill	\$ 350.00

ADMINISTRATION

Website	\$ 340.00
P.O. box	\$ 75.00
Recording fees	\$ 150.00
Financial review	\$ 125.00
Mailings	\$ 250.00

Budgeted amount	\$ 29,085.00
Less assessment plus 20%	\$ 29,367.00
Surplus amount	\$ 282.00