



**Final Minutes of the Board Meeting
held on December 14, 2023
via Google Meet, 6:00 p.m.**

1. **Call to Order.** The vice president called the meeting to order at 6:05 pm and asked for roll call. There was not a quorum until 6:10 when the president joined.
2. **Attendees.** At 6:10, board members N. Ceccarelli, D. McFarland, D. Vlastic, C. Peachey, and RW. Barfield. G. Barton and P. McCawley joined at approx. 6:35. Absent: J. Levin and K. Whitmire. Roll call of other attendees was not taken. The meeting audio was recorded using Google Meet.
3. **Approval of minutes of Nov. 16 meeting.** Some changes that had been requested by board members were viewed on screen. D. McFarland **moved to accept the minutes from the Nov. 16 meeting.** D. Vlastic **seconded.** No further board or member discussion. Voice vote all in favor, **motion carried.**
4. **Reports**
 - a. **President's report**
 - i. Corporate counsel confirmed they have no record of having been asked to provide a legal opinion on the status and legal sufficiency of our governing documents. Such a review would not be in the scope of our legal retainer and would be charged hourly, requiring approx. 40 hours of legal work. He will consider steps for us to take. With changes over time, documents can become internally inconsistent.
 - ii. Corporate counsel also suggested if we cite the ARS in our documents, to use a broad phrase such as "compliant with ARS as amended from time to time." That way we can be dynamic when state law changes.
 - iii. Corporate counsel also reiterated that when legal opinions are distributed widely, we run the risk of losing protection and confidentiality of attorney-client privilege. When we share beyond the scope of the board, they may stop putting things in writing for us. We need to weigh carefully how we share legal correspondence.
 - iv. Received no updates regarding roads or 2022 minutes project.
 - v. There have been ideas submitted regarding resolutions about firearms safety and hunting on the ranch. If you use firearms or are a hunter, please be safe and consider neighbors.

vi. If you see trash in the common areas, please pick it up.

b. Vice President's report.

- i. League of Women voters agreed to be our election workers at the March 23 annual meeting and election. They agreed to volunteer instead of charging their regular fee.
- ii. We are moving forward with Election Buddy and as soon as we pay, we will start having meetings with the service team to put together details of the election.

c. Treasurer's report.

- i. The treasurer reviewed the financial report, attached. We have been successful in collecting past dues, so our balance looks good. We need to have funds carrying over in the operating account year to year to cover expenses that occur before assessment payments start coming in. We have a good balance carrying over this year, but in 2022, for example, we spent more than we budgeted.

d. Secretary's report

- i. Thanks to a past VP for sending some links to recordings of 2021 and 2022 meetings.

5. Member Comments. The following summarizes topics/opinions presented by POs:

- A member has seen minutes documenting that the board reached out to counsel re bylaws, are those wrong?
- Don't want to put our animals in danger, need care with guns and hunting.
- Not in favor of any increase in dues. Money budgeted for roads can end up getting used for other things such as legal fees.

6. Active Agenda

- a. Discuss and approve expenses in this fiscal year for the 2024 Election up to an amount not to exceed \$2000.
 - i. Last month we approved hiring an election contractor and estimated an election cost of \$2500. We would like to move the expense to this fiscal year and get started with Election Buddy. The only area with significant funds remaining in the 2023 budget is the road repair budget line. In addition, we should keep the \$2500 in the 2024 budget since those funds will be needed at this time next year. D. McFarland **moved to transfer \$2000 from the FY 2023 road repair budget line to pay for the election.** C. Peachey **seconded.** After allowing for board and general member comment, the **motion carried unanimously** on a voice vote. Treasurer will amend the 2023 budget to add a budget line for elections.
- b. Discuss and approve 2024 budget and assessment.
 - i. The board discussed various aspects of the budget: The assessment had not been raised for many years until last year. Roads and windmill cannot be improved if we don't raise funds to do the work. Smaller increases perhaps more beneficial. The

money we carry over is not income and is needed it in case there are expenses before new assessment income comes in. Each year varies as to whether we exceed or stay within the budget. The election cost is a new expense we are adding in 2024, which itself is a 10 percent increase in costs. We used to do more than one grading a year. The surplus in the budget is there to cover the expectation of a certain amount of non-payment of dues. C. Peachey **moved to approve a 10 percent increase in the assessment to \$238 for a budget of \$32,368, including moving \$300 to the windmill line item.** P. McCawley **seconded.** No further board discussion.

- ii. Member comments: There should be a proposal for improvements to the roads to justify the increase in assessment. Improvements are overdue, need to start taking small steps.
- iii. **The motion carried in a roll call vote 5-2-0** (Yes=PM, RWB, DM, NC, CP; No=GB, DV).

7. Board Member Comments. G. Barton: Legal fees have been high over the past two years, we should reinstate dispute resolution. RW Barfield: The longer we go without Bylaws legal review, the more the association is at risk; especially with regard to article 7. Suggest we budget for legal review. N. Ceccarelli: We've made good progress on election procedures.

8. Schedule next meeting date. We may have a meeting in early January to review election procedures.

9. Adjourned at 7:30 pm with no objections.

Submitted by C. Peachey, HLRPOA Secretary

Approved Jan. 18, 2024



High Lonesome Ranch Estates Property Owners Association
P.O. Box 215, Elfrida, Arizona 85610

Board Meeting Agenda
Thursday, December 14, 2023, 6:00 p.m.
via Google Meet

1. Call to order
2. Roll call
3. Approval of minutes of the November 16 meeting
4. Reports
 - a. President's report (including updates on Roads, Common areas, and the Minutes project)
 - b. Vice President's report
 - c. Treasurer's report
 - d. Secretary's report
5. Member comments
 - a. Limited to 3 minutes.
 - b. Must directly relate to action items of the Board previously considered and published or on the agenda this evening.
6. Active Agenda
 - a. Discuss and approve expenses in this fiscal year for the 2024 Election up to an amount not to exceed \$2000.
 - b. Discuss and approve 2024 budget and assessment.
7. Comments from board members
8. Schedule next board meeting date
9. Adjourn

TREASURER REPORT FOR 14 DECEMBER 2023 BOARD MEETING

Checking account activity for 2023

Starting balance	\$5,278.09
Deposits	\$31,424.47
Withdrawals	\$23,340.62
End balance	\$13,361.94

Checks paid

1. \$600.00 Smith & Wamsley	6. \$596.46 Bernardo Espinoza	11. \$690.00 FFP&C ins.
2. \$180.00 Jacob Throckmorton	7. \$1000.00 Attorney's fees	12. \$1225.00 USL ins.
3. \$50.00 Arizona income tax	8. \$6.86 C. County tax	13. \$59.00 Az. Farm b.
4. \$125.00 CNJ bookkeeping	9. \$6.86 C. County tax	14. \$3965.00 Dustin's
5. \$82.00 P.O. Box rental	10. \$6.86 C. County tax	15. \$14747.58 Stachel

OUTSTANDING ASSESSMENTS 2022 AND PRIOR

2 members have a total of \$530.80 owed. Includes assessments and interest.

* This amount does not include interest or late fees for 2023.

OUTSTANDING ASSESSMENTS FOR 2023

4 members have paid no assessments for 2023, total owed \$872.50, 2 are in collections and 2 are lots that the owner has passed ad is currently in probate.

* Of the 4 members who have paid nothing, this includes the 2 previous mentioned members 1 of which have had \$8.50 added to their accounts for the mailing of the certified letters.

Total assessments still outstanding is **\$1421.53** this does not include any current interest or late fees.

All members who have any monies outstanding for 2023 and prior were invoiced in June with a due date of 07-15-2023. All outstanding amounts now will have interest and late fees added to their accounts.

The members with outstanding monies from 2022 or prior have been turned over for collections.

HLRPOA proposed 2024 budget

PROPOSED REVENUE

136 members X \$216.00 = \$29,367.00 with zero increase

136 members X \$238.00 = \$32,368.00 with 10% increase

136 members X \$259.00 = \$35,224.00 with 20% increase

INCREASES	0%	10%	20%
TAXES			
Arizona income tax	\$50.00	\$50.00	\$50.00
Cochise County P/T	\$35.00	\$35.00	\$35.00
Arizona corp fee	\$10.00	\$10.00	\$10.00
SERVICE			
Insurance	\$2,000.00	\$2,000.00	\$2,000.00
Legal	\$2,000.00	\$2,000.00	\$2,000.00
COMMON AREA			
Road grading	\$17,000.00	\$17,000.00	\$17,000.00
Road repair	\$4,000.00	\$6,800.00	\$9,800.00
Windmill	\$00.00	\$00.00	\$300.00
ADMINISTRATION			
Website	\$340.00	\$340.00	\$340.00
P.O. box	\$82.00	\$82.00	\$82.00
Recording fees	\$150.00	\$150.00	\$150.00
Financial review	\$125.00	\$125.00	\$125.00
Mailings	\$250.00	\$250.00	\$250.00
Election costs	\$2,500.00	\$2,500.00	\$2,500.00
Budgeted amount	\$28,542.00	\$31,342.00	\$34,142.00
Less assessment	\$29,367.00	\$32,368.00	\$35,224.00
Surplus amount	\$825.00	\$1,026.00	\$1,082.00