



DRAFT Minutes of the Board Meeting
held on January 18, 2024
via Google Meet, 6:00 p.m.

1. **Call to Order.** The president called the meeting to order at 6:01 pm and asked for roll call.
2. **Attendees.** Board members N. Ceccarelli, D. McFarland, D. Vlasic, C. Peachey, J. Levin, K. Whitmire, G. Barton, and RW. Barfield. Absent: P. McCawley. Roll call of other attendees was not taken. The meeting audio was recorded using Google Meet. The president and vice president both need to leave the meeting at 7 p.m.
3. **Approval of minutes of Dec. 14 meeting.** No changes requested. N. Ceccarelli **moved to accept the minutes from the Dec. 14 meeting.** J. Levin seconded. Voice vote all in favor, **motion carried.**
4. **Reports**
 - a. **President's report**
 - i. Strategic planning. A strategic plan will help to focus the board's efforts for the association. She would like to identify interested board members and community members to participate in developing one.
 - ii. Records retention policy. The association does not have one but should. There is some guidance in state statutes. Her goal is to create one for the board to follow.
 - b. **Vice President's report.** The vice president read a report addressing a property owner's questions on the ARR process; attached.
 - c. **Treasurer's report.** The treasurer reviewed the financial report and 2023 budget recap, attached.
 - d. **Secretary's report**
 - i. 2024 board meeting dates will be posted to the website, with the understanding they may change after March 23 when the new board is seated.
 - ii. Approximately 30% of property owners remain to be reached for address verification.
5. **Member Comments.**
 - The draft election procedures seem to violate the bylaws, which say only those requesting paper ballots will get one. President response: We've had advice from corporate lawyer that we can go over and above the minimum. We need to make sure every member can vote.

- Request to send our ARR procedures to be reviewed for legal sufficiency. Same for bylaws, at least section 7.1 if too costly to do a full review.
- Frustration that the board is not addressing all suggested agenda items.
- Online voting increases participation.
- If we exceed the limits of the bylaws regarding paper ballots, we'll end up in court.
- Recommendation to adopt Robert's Rules of Order.
- President's response: Mailing paper ballots provides an additional option. The association is trying to include everyone. We have paper, electronic, and in-person voting.

6. Active Agenda

- a. Election procedures.
 - i. D. McFarland believes we need to amend section 5.2 of the bylaws to ensure the procedures don't violate the bylaws.
 - ii. J. Levin **moved to accept the Election Procedures (version dated 18 Jan)**. C. Peachey seconded. There was an amendment suggested since the 18 Jan version. The motion was withdrawn and the board agreed to hold another meeting next week to give more time to review the procedures. R. Barfield **moved to schedule a board meeting for Thursday, Jan. 25, 6 pm**. C. Peachey seconded, **all in favor** by voice vote.
 - b. Election updates. C. Peachey provided details on the election logistics and answered member questions. Some details to still sort out include the exact time that all voting will close; and how Election Buddy will communicate/coordinate who has already voted and who is voting remotely while we are conducting in-person voting.
 - c. Annual Meeting letter and agenda. The board had no comments on the draft of the announcement letter to be sent out around Feb. 3. The letter will be mailed by Letterstream at a cost of \$150-\$200. No speaker or special program has been planned for the meeting so we will have flexibility with the unknowns of the new election process.
7. **Board Member Comments.** G. Barton: Thanks to Keri, Barb, Deb, Becky, and Sam for work preparing spreadsheet on the missing 2022 minutes. The link will be sent to members.
 8. **Next board meeting date.** January 25 at 6 pm. The next scheduled monthly meeting is Feb. 15.
 9. **Adjourned at 7:26 pm** with no objections (J. Levin moved, G. Barton seconded, all in favor).

Submitted by C. Peachey, HLRPOA Secretary



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

Board Meeting Agenda
Thursday, January 18, 2023, 6:00 p.m.
via Google Meet

1. Call to order
2. Roll call
3. Approval of minutes of the December 14 meeting
4. Reports
 - a. President's report: including strategic planning and records retention
 - b. Vice President's report: including ARR information
 - c. Treasurer's report
 - d. Secretary's report: including 2024 meeting dates
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. Election updates: timeline, logistics, contact verifications
 - b. Discussion and decision on election procedures document
 - c. Discuss letter and tentative agenda for Annual Meeting
7. Comments from board members
8. Next board meeting date
9. Adjourn

01/18/2024 HLRPOA VP Report

Responses to a PO's set of questions about the ARR process in brackets below:

- PO: I am planning to submit an architectural review request (ARR) for an improvement on my property. There is a link on the official HLR-POA page for submitting ARR that takes me away from the official HLR-POA page to a google site account to initiate the ARR. The Association does not own any google site accounts. Who owns and manages the google site account where members are taken to initiate an ARR?
- [This is an interesting question about site ownership, what defines "owning" something online? Technically, Google owns the hosting for the ARR platform just as Turbify owns the hosting of the hlrpoa.com site -- URLs and sites are different animals but the author of this question may not understand the difference. Google owns the URL for the arr.hlrpoa account and has granted us the right to use the platform and tools. This is analogous to the URL for hlrpoa.com being entered on the domain name services of Tucows and Tucows allowing us to use that platform while Turbify owns the hosting for the account and provides us end-user rights to their hosting platform. As an aside, I have no idea who actually owns the URL that is entered into the Tucows DNS, originally it was Joyce Green per old records. Does anyone have a logon ID and password to the Tucows platform, so that we can exercise our ownership right to the URL such as entering it on another domain services host and deleting it from Tucows? I don't know the answer to that question. Nevertheless, the ARR is implemented in a Google account controlled by me, currently, which I can share with any other board member who wants to have access to it. This is the same as the secretary currently having the logon ID and PW for other online assets controlled by the POA that are implemented on the Turbify

hosting platform which is owned by Turbify, not HLRE POA. I think the only thing that we can really “own” in this arena is the copyright to information we publish or store on these platforms (Google or Turbify or whatever).]

- PO: Text on the google site page containing introductory instructions for the ARR submission directs members to submit any questions to a particular gmail address instead of an email address on the hlrpoa.com domain.
- [Some officers stopped using the business accounts in Yahoo for our work and most are now using gmail accounts due to issues with access to the accounts. This is just another instance of that. There’s no reason the secretary can’t set up an email account for the ARRs that forwards emails to the manager of the ARR process. I’ve had to set up a separate VP account on gmail so that I’m not mixing HLR work with my private affairs. At the same time, one can contend that there’s also nothing to be gained by establishing a hlrpoa.com email for the ARR process and just leaving it the way it is. My understanding is, for example, that the prior president, VP, and other hlrpoa.com email accounts were deleted and all records were lost that were in those accounts.]
- PO: Who owns, manages, or has access to the arr.hlrpoa@gmail.com email address?
- [Google owns it, just as Turbify owns the secretary@hlrpoa.com and other business accounts and grants us end-user rights on their platforms per contracts and contract law. I have the logon ID and

PW for it just as the secretary has the logon and PW to the secretary email account.]

- PO: Section 7.1 of the Bylaws dated 26 January 2022 states "All plans submitted to the board, except for those requiring a waiver of one of the previous provisions, will automatically be approved and the owner-member will receive a record response from the Secretary acknowledging that approval."
- [The Bylaws have been amended since the version published on the website, see the attached document which in turn amended an amending motion. The Bylaws have not been restated (which incorporates amendments to that point into the Bylaws). We are failing to properly present our Bylaws online as the amendments should be listed on our site along with the last amended and restated version of the Bylaws. I think I've mentioned this before and received no response. Bottom line: You can't cite the Bylaws as presented on the website for this because the amending motion that controls the current process is after this document was published. We should have sorted this out a long time ago and help is available but we have not discussed this. The attached PDF is the legal action effectively amending the Bylaws that passed on 2/16/2022. Note that the final paragraph of the motion provided the authority to make additional changes to the process as the online system was implemented.]
- PO: Section 7.1 of the Bylaws dated 26 January 2022 also states "ARRs not requiring an explicit waiver will automatically be approved by the Secretary after a 48 hour review period of all directors. If a

director objects during the 48 hour review period, a special meeting will be convened after proper notice per ARS 33-1804."

- [Provision no longer in effect.]

- PO: Is the Secretary the sole approval authority under the concept of "silence is consent" in the absence of an intervention by another director?
- [Provision no longer in effect.]

- PO: Are all ARR's actually being sent to all directors for their review as required by Section 7.1 of the Bylaws?
- [Provision no longer in effect.]

- PO: If all ARR's are not sent to all directors for review, to whom are they sent for review?
- [The officers, unless a major waiver is needed, and then the whole Board addresses that.]

- PO: Section 9.1 of the Declaration states "The Board may appoint a committee to perform the functions required of the Board under this Section."
- [It may also decline to do so which is the current state of the process. An administrative process is being dealt with administratively.]

- PO: Has the Board appointed such a committee?
- [No]

- PO: If so, when was this done? Who are the members of this committee? Does this committee meet (in person, online, or via email) to conduct its deliberations? Are records or reports of their meetings being maintained in the Association's files? Section 9.1 of the Declaration states "In such event all decisions made by the committee are subject to the review of the Board and all decisions of the Board are final."
- [Provision no longer in effect as there is no committee.]

- PO: If ARR's are not being sent to all directors for review but decisions regarding them are being made by a committee, how is the Association subjecting their decisions to review by the Board?
- [The questioner has this confused, that review by the Board equals review by all directors. The board is accomplishing its review as stated in the "Motion to Use Online ARR Form" resolution passed on 2/16/2023. There is no requirement that "subject to review by the board" equals the entire board of directors voting on a legal action for each ARR. Even if such a requirement did exist in the CCRs, the "right but not the duty" clause would overcome

any specific provision of the CCRs at the board's discretion.]

- PO: Describing the information the association must provide to a person purchasing property within the subdivision, ARS 33-1806 states the association must provide "... a statement as to whether the records of the association reflect any alterations or improvements to the unit that violate the declaration. The association is not obligated to provide information regarding alterations or improvements that occurred more than six years before the proposed sale."
- [What this citation does not say: "The association must maintain a list in its records so that it can provide a report on any alterations or improvements to the unit that violate the declaration." For example, an owner has purchased a house with a color that violates the CCR text. Do we have a record that this violation was highlighted to the owner when they purchased? Nevertheless, as the POA has never had this list and hasn't complied with this, to my knowledge, this is something we may want to discuss. But, it's important to note that no requirement exists to maintain this listing, only that the association look in its records and if it has such, that it be reported to the buyer.]

- PO: Are ARR and records of their review and approval being maintained for six years?
- [They are now. I don't think they were, especially prior to this board.]

- PO: Who is maintaining these records?
- [I am and the secretary has received the copies of what has come through the ARR form flow process on the Board's behalf.]

- PO: How is the association documenting approvals based on waivers that violate the declaration?
- [Again, it's important, in my opinion, to establish that given the language in our CCRs, no such requirement actually exists. That said, the current system records that information in a searchable format. As there are no review records from the period of the prior boards and the former ARCs (we have some ARRS and we have minute entries on the approvals by the board of the ARRs and letters to the owners but nothing else covering the actual reviews) we're at a loss on this issue. We now have much better records of the details of the reviews. In the old process, the ARC reviewed ARRs and made a recommendation to the board. I don't think we have any records of the ARC reviews. The directors then voted on the ARR. At no point

were the many items violating provisions of the CCRs recorded. Mr. Barfield, for example, led the approval of ARR's that used materials that are not allowed by the CCRs along with many other variances such as colors, matching, etc. The reality is that this entire topic is a huge minefield and any efforts by the board to deny or enforce something at this point are likely to put us in court, in my opinion. It is my understanding that several attorneys have already examined our facts and documents and have weighed in that the POA has probably, effectively, abandoned much of the declaration and faces no liability for having done so because the association never had the duty to do anything. But, the current or future boards of directors do not have a right, based on the documents, facts, and case law, to start enforcing some provision at its sole discretion even though the CCR read in isolation may give the impression that such a right exists. It's like the racist provisions still included in many deeds across the country, the law has made those provisions unenforceable, even though they are still on recorded documents. Also, that "right but not the duty" language is opposite every CCR document I've read which specify that the association has the "right and the duty" We should also consider the [Lot 78 ARR fiasco.](#)]

18 January 2024
TREASURER REPORT FOR 14 DECEMBER 2023 BOARD MEETING

Checking account activity for 2023

Starting balance	\$5,278.09
Deposits	\$31,424.73
Withdrawals	\$26,007.50
End balance	\$10,695.32

Checks paid

1. \$600.00 Smith & Wamsley	8. \$6.86 C. County tax	15. \$14747.58 Stachel
2. \$180.00 Jacob Throckmorton	9. \$6.86 C. County tax	16. \$600.00 Smith & Wamsley
3. \$50.00 Arizona income tax	10. \$6.86 C. County tax	17. \$276.34 C. Peachey Pr/MI
4. \$125.00 CNJ bookkeeping	11. \$690.00 FFP&C ins.	18. \$143.90 D. Vlastic Pr/Mail
5. \$82.00 P.O. Box rental	12. \$1225.00 USL ins.	19. \$1604.64 N. Ceccarelli EB
6. \$596.46 Bernardo Espinoza	13. \$59.00 Az. Farm b.	20. \$42.00 C. Peachey Pr/MI
7. \$1000.00 Attorney's fees	14. \$3965.00 Dustin's G.	

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.

2023 budget recap

Taxes	Budget	Actual	Difference
AZ Income Tax	\$50.00	\$50.00	\$00.00
Cochise C. Tax	\$35.00	\$20.58	\$14.42
Az Corp. Commission	\$10.00	\$10.00	\$00.00

Services	Budget	Actual	Difference
Insurance	\$1,900.00	\$1,974.00	(\$74.00)
Legal Fees	\$16,000.00	\$16,406.43	(\$406.43) *1

Common Areas	Budget	Actual	Difference
Road Grading	\$00.00	Moved To Legal Fee Area Of Budget	\$00.00
Road Repairs	\$8,150.00	\$3,965.00	\$4,185.00 *2
Windmill	\$350.00	\$00.00	\$350.00

Administration	Budget	Actual	Difference
Website	\$340.00	\$141.87	\$198.13
PO Box	\$75.00	\$82.00	(\$7.00)
Recording Fees	\$150.00	\$00.00	\$150.00
Financial Review	\$125.00	\$125.00	\$00.00
Mailings	\$250.00	\$208.94	\$41.06
Election Costs	\$1,650.00	\$1,646.64	\$3.36 *3

Budget	Spent	Difference
\$29,085.00	\$24,630.46	\$4,454.54

*1 Legal Fee Budget increased by \$14,000.00, funds moved from road grading budget.

*2 Road repair budget reduced by \$1,650.00

*3 Election Cost budget created by moving \$1,650.00 from road repair budget