



**Minutes of the Board Meeting
held on October 24, 2024
at 6 :00 p.m. via Google Meet**

1. **Call to Order.** N. Ceccarelli called the meeting to order at 6:00 p.m. and asked for roll call.
2. **Attendees:** All board members were present: N. Ceccarelli, W. Barfield, D. Vlastic, C. Peachey, D. McFarland, S. Crosby, N. Tribby, and G. Barton. Audio was recorded with Google Meet.
3. Approval and adoption of the September 19, 2024, meeting minutes. No changes were requested, the minutes stand as written.
4. **Reports.**
 - a. **President's report.**
 - i. K. Whitmire has resigned from the board. Board needs to decide how to proceed with the position. There were no objections to adding this topic to today's active agenda.
 - ii. Governing docs/Bylaws update. A group consisting of N. Ceccarelli, S. Barton, J. Knox, W. Barfield, and C. Peachey worked through all comments submitted by members. A few questions have been submitted to counsel. A new bylaws draft will be sent to the board and then to all community members for review and comment.
 - iii. Corporate Transparency Act (CTA) update. The association's legal counsel advises that the least risky stand is for all directors to complete the required forms. Directors can: (a) Give the required information to the Secretary; (b) Ask the Secretary to walk you through the process; or (c) Complete the process yourself to get your own FinCen ID number and send that number to the Secretary. **Please send the required information the Secretary no later than November 15.**
 - b. **Vice President's report.**
 - i. A full grading of the roads was completed. The grader also did a repair to a 300 ft section of Legend Trail as a test. Gravel/aggregate was spread over a heavily washboarded area to help prevent washboarding. The condition of this repair will be monitored.

- ii. S. Crosby presented (attached) a proposed 2025 budget for the roads, long-term needs for the roads, and a proposal and costs to repair the area at Last Trail. He recommends 1.5 gradings per year, with the half grading to cover 11 miles of the roads with the most use/maintenance needs (with need for clear rationale behind which roads get the additional grading). The proposed road budget for 2025 is \$32K. For suggested repairs, the cost to place new aggregate on the road surface is \$250/linear foot. Installing gabions costs approx. \$950 per wash. A less expensive option for some repairs is to drag the roads. A proposal to repair the area at Last Trail would cost approx \$112K; since a wash/waterway is involved, county permits might be required.

c. Treasurer's report. See attached report.

- i. Before any future accounts are sent to collections, Treasurer will get written confirmation from the agency of any new procedures and fees.
- ii. Before the association commits to getting a credit card, we need written procedures and guidelines approved by the board.

d. Secretary's report.

- i. Deferred request for reimbursement for printing and mailings, as cost was minimal.
- ii. Bills received in the mail recently: D&O insurance approx. \$1225; general liability insurance approx. \$708; Farm Bureau membership \$59; property taxes for common area, minimal; road grading/repair invoice approx. \$15,100.

5. Member comments.

6. Active agenda.

a. Old Business

- i. Records retention policy. A new draft is available for the board to review.
- ii. Draft 2025 budget.
 - 1. The proposed road budget would require higher assessments. We may have approx. \$8K unspent 2024 money to carry over to 2025 that can be put into roads. This kind of carryover will not continue, as future road improvements are likely to use the full amount budgeted.
 - 2. Discussion of idea of moving assessment due date to January to get majority of assessments into the operating account earlier. Billing and budget development timelines would also change.

b. New Business

- i. County maintenance of roads. D. McFarland presented some of the information learned about forming a Road Improvement and Maintenance District (RIMD). These special districts can be formed by community members, not restricted to

POA members. The county collects taxes for RIMDs. Can access county bonding authority. There is not much of a budget in the county. County willing to assess roads for abandonment or integration based on changing use patterns.

- ii. Suggestion to invite someone from the county to speak to the membership about it.

7. Comments from board members. Regarding the budget, let's look at the numbers and member comments and think of possible areas to reduce. Let's plan to get a budget approved in November. The empty director seat needs to be the first item on next month's agenda.

8. Next board meeting: November 21.

9. Adjourned at 7:54 p.m. with no objections.

Submitted by C. Peachey, HLRPOA Secretary

Approved November 21, 2024



Board Meeting Agenda
Thursday, October 24, 2024, 6:00 p.m.
via Google Meet

1. Call to order
2. Roll call
3. Approval and adoption of minutes of the September 19 meeting
4. Reports
 - a. President's report
 - i. Resignation of a board member
 - ii. Update on governing documents project
 - iii. Update on Corporate Transparency Act
 - b. Vice President's report
 - i. Committee reports on roads and other common areas
 - c. Treasurer's report
 - d. Secretary's report
 - i. Expense reimbursement request
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. Old Business
 - i. Consideration and decision of Records Retention Policy
 - ii. Discussion of draft 2025 budget with road updates
 - b. New Business
 - i. Discussion of options for county maintenance of ranch roads
7. Comments from board members
8. Next board meeting date
9. Adjourn

TREASURER REPORT FOR 24 OCTOBER-2024 BOARD MEETING

Checking account activity for 2024

		Starting balance	\$ 10,695.32
		Deposits	\$ 33,926.22
		Withdrawals	\$ 813.74
		End balance	\$ 43,807.80
Checks paid			
1. Az. Dept of revenue	\$50.00	8. Fiscal Review	\$125.00 15.
2. NC/ E buddy	\$136.00	9. RB / Sign Repair	\$26.67 16.
3. NC/ E buddy	\$107.17	10. RB / Well Reg.	\$30.00 17.
4. CP/ Az corp comm.	\$10.00	11.	18.
5. CP/ election expenses	\$154.90	12.	19.
6. DM/ refund o/payment	\$90.00	13.	20.
7. PO Box renewal	\$84.00	14.	21.

OUTSTANDING ASSESSMENTS 2023 AND PRIOR

1 member has a total of \$627.69 owed. Includes assessments late fees and interest and is currently in collections.

All other members are paid in full through 2023

As of 09/30/2024 we have collected \$31,719.50 or 99.4% of current 2024 assessments

134 MEMBERS THAT HAVE PAID IN FULL.... THANK YOU

2 MEMBERS THAT HAVE NOT PAID ANYTHING

1 member overpaid by \$1.00 they have a credit.

1 member overpaid by \$26.13 they have a credit.

I HAVE RE-BILLED ALL MEMBERS WHO HAVE NOT PAID ANY ASSESSMENTS BY THEIR STATED DUE DATE AND AFTER 45 DAYS OF NON-PAYMENT THEIR ACCOUNTS HAVE BECOME DELINQUENT AND I HAVE ADDED INTEREST TO THEIR ACCOUNTS.

THE 2 MEMBERS THAT HAVE NOT PAID ANYTHING HAVE HAD FINAL DEMAND LETTERS SENT TO THEM BY CERTIFIED MAIL, RETURN RECEIPT. IF NOT PAID IN FULL IN 30 DAYS THEY WILL BE TURNED OVER FOR COLLECTIONS WITH OUR ATTORNEY OF RECORD.

HLRPOA PROPOSED 2025 BUDGET

TAXES	2024	2025	
ARIZONA INCOME TAX	\$ 50.00	\$ 50.00	
COCHISE COUNTY PT.	\$ 35.00	\$ 35.00	
ARIZONA CORP FEE	\$ 10.00	\$ 10.00	
 SERVICE			
INSURANCE	\$ 2,000.00	\$ 2,200.00	+ \$ 200.00 / 10%
LEGAL	\$ 2,000.00	\$ 2,000.00	
 COMMON AREA			
ROAD GRADING	\$ 17,000.00	\$ 17,000.00	T.B.D.
ROAD REPAIR	\$ 6,800.00	\$ 6,800.00	T.B.D.
WINDMILL	\$ 300.00	\$ 300.00	T.B.D.
MAINTENANCE	\$ 00.00	\$ 300.00	T.B.D. NEW
 ADMINISTRATION			
WEBSITE	\$ 340.00	\$ 374.00	+ \$ 34.00 / 10%
GOOGLE BUSINESS	\$ 00.00	\$ 200.00	NEW ITEM
PO BOX	\$ 82.00	\$ 86.00	+ \$ 4.00 / - 5%
RECORDING FEES	\$ 125.00	\$ 75.00	
FINANCIAL REVIEW	\$ 125.00	\$125.00	
OFFICE SUPPLIES.	\$ 00.00	\$ 75.00	NEW ITEM
MAILINGS	\$ 250.00	\$ 250.00	
ELECTION COSTS	\$ 2500.00	\$ 2500.00	
 BUDGETED AMOUNT	 \$ 31,642.00	 \$ 32,380.00	
LESS ASSESSMENT	\$ 32,368.00		
SURPLUS AMOUNT	\$ 726.00		

PROPOSED REVENUE

136 MEMBERS X \$ 238.00 = \$ 32,368.00 WITH ZERO INCREASE
 136 MEMBERS X \$ 262.00 = \$ 35,632.00 WITH 10% INCREASE
 136 MEMBERS X \$ 285.00 = \$ 38,760.00 WITH 20% INCREASE

IF THE BUDGET IS PAST WITH A 10% INCREASE AFTER PLANNED ADDITIONS AND INCREASES ON FIXED ITEMS THIS WOULD LEAVE \$3000.00 TO ADD TO COMMON AREA BUDGETS WITH A SURPLUS OF \$252.00.

IF THE BUDGET IS PAST WITH A 20% INCREASE AFTER PLANNED ADDITIONS AND INCREASES ON FIXED ITEMS THIS WOULD LEAVE \$6000.00 TO ADD COMMON AREA BUDGETS WITH A SURPLUS OF #380.00.



HLR Road Committee

2025-2027 Budget Proposal

Topics for Discussion

- Routine Maintenance
- Road Repair
- Improvement Projects



Routine Maintenance

Recommendation

- 1 full Grading per year
- 1/2 Grading per year (capped at 11 miles)
- Emergency Allocation

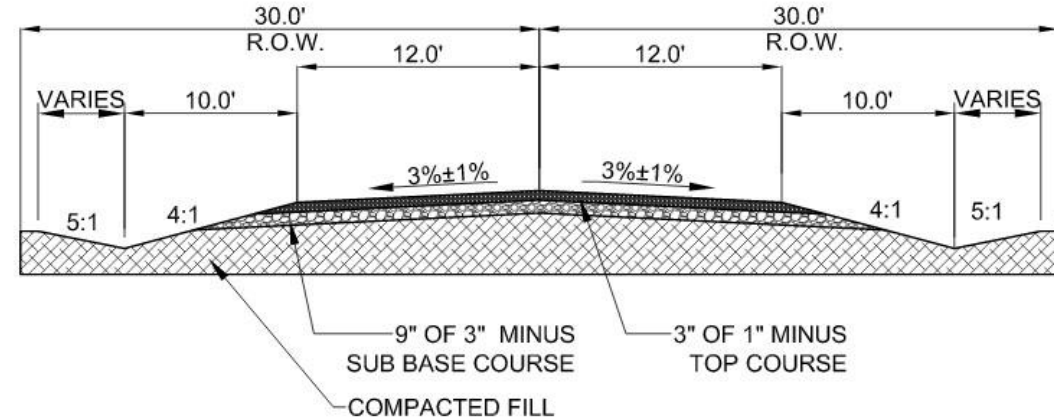
Road Maintenance	2025	2026	2027
Regular Maintenance (Full Grading)	\$17,000	\$17,340	\$17,687
Regular Maintenance (1/2 Grading)	\$8,500	\$8,670	\$8,843
Emergency Repairs	\$6,500	\$6,630	\$6,763
Total	\$32,000	\$32,640	\$33,293



Road Repairs

Road Repairs

- Place new aggregate base on the driving surface
- Focus on the areas that have the most traffic (Legend Trail, High Lonesome)
- Areas that have severe road corrugation



TYPICAL GRAVEL ROAD SECTION

Road Repairs (Discretionary)	Linear Feet		2025	2026	2027
High Lonesome Road	5600	\$2.5/foot	\$4,662	\$4,709	\$4,756
Legend Trail	4200	\$2.5/foot	\$3,497	\$3,497	\$3,497
Legend Trl 2	3000	\$2.5/foot	\$2,498	\$2,498	\$2,498
	12800		\$12,682	\$12,730	\$12,778

Road improvements

Last Trail Wash

- Clean and regrade wash
- Build 2 ea. gabions on downstream side of wash
- Excavate Sand accumulated in road
- Fill and compact road areas with coarse material
- Compacted aggregate base driving surface

Area 1 Last Trail		Sq Yds	Cu yds		\$/hr	Hrs	Total
Green		1238	4952	Cut	140	10	\$ 1,400
Yellow		715	2860	Cut	140	5	\$ 700
Yellow		715	4290	Fill	140	10	\$ 1,400
Yellow		715	2860	Compact	120	32	\$ 3,840
Yellow		715	2860	Water Trck	120	32	\$ 3,840
Cyan	Gabion	19.8	99		115	42	\$ 4,830
						Material @\$18/yard	\$ 77,220
						Sub Total	\$ 93,230
						Contingecy @ 20%	\$ 111,876



Road Improvements

- 15 Gabions installed downstream of washes on High Lonesome and Legend Trail

Road Improvement (Discretionary)		2025	2026	2027
15 Gabions @\$900/piece	5 per year	\$ 4,750	\$ 4,750	\$ 4,750
	Total	\$ 4,750.00	\$ 4,750.00	\$ 4,750.00



Assumptions

- Roads are moist when grading occurs
- No water truck
- Budget money is available
- Rains are minimal over the 3-year period
- Possible contractor to drag roads
- 2% Inflation

