



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

**DRAFT Minutes of the Board Meeting
held on Wednesday, December 17, 2025
at 6:00 p.m. via Google Meet**

1. **Call to Order.** Vice President W. Barfield called the meeting to order at 6:00 p.m.
2. **Roll Call.** Board members present: W. Barfield, R. Kling, C. Peachey, D. Vlasic, N. Tribby, and S. Crosby. Absent: N. Ceccarelli. Audio was recorded with Google Meet.
3. **Approval of minutes of the November 19 board meeting.** No changes were requested, the minutes were approved as written.
4. **Officer Reports**

- a. **President's report.** (W. Barfield on behalf of N. Ceccarelli, absent)
 - i. W. Barfield read the letter to be sent from the board of directors to property owners regarding the initial/draft contract-type proposals sent to the board by Diamondback/Ivanhoe. See also Secretary report.
 - ii. Graham Boyd of Ivanhoe Electric invited the community to visit their current exploration site in North Gleeson tomorrow.
- b. **Vice President's report.** (W. Barfield) See Common Area Committee and main agenda.
- c. **Treasurer's report.** (R. Kling)
 - i. See attached financial report for November. Net expenditures \$69.
 - ii. External review: We plan to send the documents to CNJ Accounting after the first of the year and hope to have the review completed by the Annual Meeting.
 - iii. Internal review will be done by the Finance Committee and one other volunteer.
 - iv. 25% of 2026 assessment payments have been made in December so far. Two people have requested electronic payment so far.
- d. **Secretary's report.** (C. Peachey)
 - i. The cost to send the second board letter by postal mail including the three Diamondback/Ivanhoe attachments would cost \$658 by Letterstream. There was agreement, pending legal advice, to not send them by postal mail since they are being sent by email. We can perhaps provide website links to the documents or provide upon request. One change was suggested to clarify the attachments, then the letter will be emailed and postal mailed.
 - ii. Submitted reimbursement requests for three items:

1. Call for nominations letter sent by Letterstream \$92.25.
2. First letter to POs regarding the mining company activity, sent 12/12 via Letterstream, \$108.00.
3. Google Business Suite subscription July-December 2025, approx. \$100.
- iii. The board email has received several comments and questions regarding the mining issue and other issues. All correspondence of this type is forwarded to all board members.
- iv. Board meeting dates for early 2026 are Jan. 21, Feb. 18, and Mar. 18.

5. Committee Reports

- a. **Common Area Committee (W. Barfield)**
 - i. The committee did an interim project on Last Trail filling in some cuts; and completed the project on Old Adobe near the windmill.
- b. **Architectural Review Committee (W. Barfield)**
 - i. No new or pending architectural review requests.
- c. **Finance Committee (R. Kling)**
 - i. Reviewed the end of year plan to be presented tonight, prepared documents for 2025 reviews (volunteers still welcome), and prepared for processing 2026 payments.
- d. **Election Committee (C. Peachey)**
 - i. Met on 11/26 and 12/8 to prepare for the annual meeting and election on February 28th. Drafted the meeting announcement letter and agenda for board review, revised in-person voting and ballot counting procedures.
 - ii. Confirmed that 66 lot accounts have responded to the address verification letter so far. Reminder emails sent 12/12 and 12/17. Deadline is Dec. 19.
 - iii. Two candidates so far are running for the board. Most likely we will use Election Buddy again and will probably try to ask local election workers to help as third parties. Plan to send out the Annual Meeting letter approx. 1/10, voting will open approx. 1/28. We have rented a PO box in Tombstone again for receiving mail-in ballots.
 - iv. Next meeting is Sunday, January 4.

6. General member comments

7. Active agenda

- a. R. Kling **moved to amend the agenda to add an item to increase the mailing budget**. C. Peachey seconded. After opportunity for board and community comment, the **motion carried** with no objections. It will be added to the end of the agenda.

- b. C. Peachey **moved to approve the 2026 Election Procedures document as presented.** R. Kling seconded. After opportunity for board and community comment, the **motion carried** unanimously on a roll call vote. The main changes to the document from last year are that the Election Committee will act as the nominating committee; members who don't confirm an email address for electronic voting will receive a paper ballot; electronic and mail-in voting will both end on Feb. 27; voting will be by paper only at the Annual Meeting; the post-election call for feedback will be within 30 days, and revised Election Procedures prepared for board review within 120 days.
- c. **2026 Annual Meeting announcement letter and agenda.** The board discussed and agreed to the draft letter and agenda presented. If a guest speaker will give a presentation, we should ask to distribute the presentation in advance of the meeting so members can review it and prepare questions.
- d. **Prioritization of the Common Area Committee projects.** A map of the projects and prioritization was presented. After opportunity for board and community comment, the board had no objections to the priorities.
- e. R. Kling **moved that the Board of Directors direct the Treasurer to:** (1) Set up a bank savings account named 'Flex Fund' as a repository for Association funds that are to be used for board-approved credits/refunds to the members, and for other board-approved obligations that set the Association on solid financial footing; (2) Transfer to the Flex Fund, during the first week of January, 2026, all funds in the bank checking account that exceed those needed for the 2026 budget and operating fund; and (3) Revise the Treasurer Policies and Procedures in accordance with the End-of-Year Finances Plan and present the revision for approval at the January, 2026, Board of Directors meeting. S. Crosby seconded. The idea is that any money above the annual budget, plus 25% of the budget as a base amount ("operating fund") to keep in the bank account, we can put into the flex fund. We will need clear instructions and procedures on how to use the fund, including approval of projects, costs, and assessment credits, for example. After opportunity for board and community discussion, the **motion carried** unanimously on a roll call vote.
- f. R. Kling **moved to add \$400 to the current Mailings budget line.** C. Peachey seconded. We've had extra recent mailings and may have more. Suggestion to keep mining-related expenses separate, creating a new budget category(ies) for tracking. After opportunity for board and community discussion, the **motion carried** unanimously on a roll call vote.
- g. The board discussed the need to address mining concerns, with perhaps both a mining committee and a communication committee or communication plan. The purpose of any committee(s) would need to be clear. Various ideas about the committees, draft documents, and a possible member meeting were discussed. To address this as soon as possible, an additional board meeting on December 30 at 6 p.m. was proposed.
- h. Call for business items for next monthly meeting. Revised Treasurer procedures and revised 2026 budget structure pursuant to tonight's discussions (R. Kling). ARR procedures (W. Barfield).

8. **Comments from board members.** Assessment reminders will be emailed around Jan. 2; payment due Jan. 15.
9. **Next board meetings:** Tuesday, December 30, 2025, and Wednesday, January 21, 2026.
10. **Adjourned** at 7:51 p.m. W. Barfield moved to adjourn, R. Kling seconded, no objections.

Submitted by C. Peachey, HLRPOA Secretary.

DRAFT



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

Board Meeting Agenda
Wednesday, December 17, 2025, 6:00 p.m.
via Google Meet

1. Call to order
2. Roll call
3. Approval of minutes of the November 19 board meeting
4. Officer Reports
 - a. President's report
 - i. Update on mining issues, including community letter, status of a committee, and attorney engagement and advice
 - b. Vice President's report
 - c. Treasurer's report
 - d. Secretary's report
5. Committee Reports
 - a. Common Area Committee
 - b. Architectural Review Committee
 - c. Finance Committee
 - d. Election Committee
6. General member comments
 - a. Limited to 3 minutes
 - b. Must directly relate to action items of the Board published, considered, or on today's agenda
7. Active Agenda
 - a. Consideration and decision on 2026 Election Procedures document
 - b. Review of 2026 Annual Meeting agenda and announcement letter
 - c. Consideration and decision on prioritization of planned Common Area Committee projects
 - d. Consideration and decision on a financial end-of-year plan, including the following motion:
The Board of Directors directs the Treasurer to: (1) Set up a bank savings account named 'Flex Fund' as a repository for Association funds that are to be used for board-approved credits/refunds to the members, and for other board-approved obligations that set the Association on solid financial footing; (2) Transfer to the Flex Fund, during the first week of January, 2026, all funds in the bank checking account that exceed those needed for the 2026 budget and operating fund; and (3) Revise the Treasurer Policies and Procedures in accordance with the End-of-Year Finances Plan and present the revision for approval at the January, 2026, Board of Directors meeting.
 - e. Call for business items for next meeting
8. Comments from Directors
9. Next board meeting date – Wednesday, January 21, 2026, tentatively scheduled
10. Adjourn

HLR POA Treasurer's Report for November 2025

| Bank Money | | <u>Checking on 1 Dec</u> | <u>Savings on 1 Dec</u> | <u>Total on 1 Dec</u> |
|------------------------------------|--------------|--------------------------|---------------------------|----------------------------|
| | | \$36,841.30 | \$21,108.43 | \$57,949.73 |
| Money In | | <u>Invoiced</u> | <u>Income in November</u> | <u>Income before 1 Dec</u> |
| | TOTAL | \$36,372.27 | \$265.20 | \$35,384.35 |
| 2026 Assessment | | \$262.00 | \$262.00 | \$310.00 |
| 2025 Assessment | | \$35,632.00 | | \$34,846.00 |
| Bank Interest | | \$0.00 | \$3.20 | \$37.33 |
| Disclosure Fees | | \$150.00 | | \$150.00 |
| Recording Fees | | \$60.00 | | \$0.00 |
| Postage Fees | | \$75.19 | | (\$60.00) |
| Debt Interest | | \$193.08 | | (\$54.01) |
| | | | | (\$173.24) |
| Money Out | | <u>Budget</u> | <u>Spent in November</u> | <u>Spent Jan - Nov</u> |
| | TOTAL | \$43,934.16 | \$69.03 | \$23,573.47 |
| Taxes | | \$95.00 | | \$80.52 |
| AZ Income Tax | | \$50.00 | | \$50.00 |
| Cochise County Property Taxes | | \$35.00 | | \$20.52 |
| Arizona Corporation Commission Fee | | \$10.00 | | \$10.00 |
| Services | | \$4,200.00 | | \$2,487.00 |
| Insurance | | \$2,200.00 | | \$1,887.00 |
| Legal | | \$2,000.00 | | \$600.00 |
| Common Areas | | \$35,600.00 | \$254.44 | \$19,684.53 |
| Road Grading | | \$25,500.00 | | \$16,970.00 |
| Road Repair | | \$6,500.00 | \$192.53 | \$661.13 |
| Windmill | | \$3,300.00 | \$61.91 | \$2,053.40 |
| Maintenance | | \$300.00 | | \$300.00 |
| Administrative | | \$4,039.16 | (\$185.41) | \$1,321.42 |
| Annual Meeting and Election | | \$2,500.00 | | \$504.37 |
| Website | | \$376.16 | (\$185.41) | \$190.75 |
| Mailings | | \$350.00 | | \$231.20 |
| Google Business Suite | | \$200.00 | | \$92.10 |
| Financial Review | | \$125.00 | | \$125.00 |
| Post Office Box | | \$88.00 | | \$88.00 |
| County Recorder Fees | | \$270.00 | | \$90.00 |
| Office Supplies | | \$50.00 | | \$50.00 |
| Accounting Systems | | \$80.00 | | \$80.00 |

Payments Issued

| | <u>Check Number</u> | <u>Check Date</u> | <u>Check Amount</u> |
|-------------|---------------------|-------------------|---------------------|
| Road Repair | 1159 | 10-Nov-25 | \$140.19 |
| Road Repair | 1160 | 10-Nov-25 | \$44.84 |
| Road Repair | 1161 | 10-Nov-25 | \$7.50 |
| Windmill | 1162 | 10-Nov-25 | \$46.00 |
| Windmill | 1163 | 10-Nov-25 | \$15.91 |
| Website | cash | 26-Nov-25 | (\$185.41) |

High Lonesome Ranch Estates Property Owners Association

ELECTION PROCEDURES

DRAFT December 8, 2025

1. OVERVIEW

A. Applicability. These procedures supersede all previous HLRPOA election procedures.

B. Guiding Principles. Our goals are to include the voice of every lot account voter that wants to participate; and ensure the integrity of the election results.

C. Election Committee. The Board of Directors will conduct elections in combination with appointed Election Committee (EC) members and board-approved third-party contractors or voting systems. The EC will consist of a Director who is the chairperson, and two to four other members of the association. The EC will appoint one member of the committee to be the Deputy EC chairperson.

D. Third-Party Organizations. The Board of Directors may contract with third parties (such as an electronic voting vendor or the League of Women Voters) to manage many aspects of Association elections. These third parties may create electronic and paper ballots, send ballots to Association members, send reminders, receive and tally electronic and mail-in paper ballots, and manage in-person voting.

E. Voting and Ballots. Each lot account will receive one ballot. A lot account may vote by electronic ballot or paper ballot. No lot account owner may submit a ballot on behalf of another lot account owner; i.e., no proxy voting or couriers are allowed. There will be no cumulative voting or weighted voting. If lot ownership changes, new ownership must be verified before voting opens and ballots are distributed.

F. Governance. Nomination and voting policies and procedures are governed by Arizona Revised Statutes (A.R.S.); the Association's Declaration of Conditions, Covenants, Restrictions, and Easements; and the Association's Bylaws.

2. PROCEDURES

A. Annual Meeting and Election of Board Members. The annual election will be held in conjunction with the Association's annual membership meeting. The annual meeting

will comply with A.R.S. 33-1804. The presiding officer will announce the results of the election before the close of the meeting, barring exceptional circumstances.

B. Election Timeline. Will follow statutory requirements. See Attachment 1.

C. Nominations. See Section 5.1 of the Bylaws. The Board of Directors will send all members a call for nominations in accordance with the A.R.S. and timeline listed in attachment 1. The EC will act as the nominating committee. Members in good standing and prepared to discharge duties in accordance with the standards of conduct defined in applicable A.R.S. are invited and encouraged to become candidates for election. Candidates will be asked to submit brief statements that will be made available to voters.

D. Notice of the Meeting. The Association will mail or cause to be mailed a notice of the annual meeting in accordance with A.R.S. 33-1804 not fewer than 10 nor more than 50 days in advance of the meeting. The secretary will prepare the notice for board review. The notice will include, at a minimum, the date, time, location, purpose, agenda, and remote login options for the meeting. It will also include instructions, deadlines, and other necessary or time-sensitive information.

E. Verification of Mailing and Email Addresses and Vote Method Preferences. The Secretary maintains lot owner addresses (mail and email) and will verify addresses prior to the opening of the election. The Secretary will also ask each lot account owner to verify their chosen method of voting – electronic or paper ballot. If a lot account owner does not specify an address, a paper ballot will be mailed to the postal address on record with the Association. The Secretary will not share membership/voter lists with other members.

F. Ballot Material. Ballots will be produced according to state law and in coordination with the electronic voting vendor. The EC will open voting and distribute ballots and ballot materials to voters approximately four weeks before the annual meeting date.

G. Electronic Voting System.

1. Access to the electronic voting system will be limited to the designated administrator. Setup parameters will be agreed upon by at least two EC members.
2. The highest security and integrity parameters available in the electronic voting system will be adopted when selecting from the options available.

3. Once the election goes live, no member of the Association (including board members) will have access to the status of the electronic count until electronic voting closes.
4. Votes from mail-in paper ballots may be entered into the electronic voting system by third-party personnel or may be counted separately and added to the electronic tally for the overall final tally.

H. Members Running for Election. Members whose names will appear on the ballot will not have access to electronic or paper ballots cast by the membership from the time the election opens until announcement of results.

I. EC Chairperson Duties:

1. Supervise the set-up of the overall election process including any third-party vendors.
2. Liaise, or assign a liaison, with the third-party contractors during the annual meeting.
3. Document any reason why a specific ballot or envelope is designated as spoiled as indicated by third-party contractors.
4. Not be the presiding officer at an annual or special meeting.
5. Make every effort to resolve discrepancies and to count as many eligible votes as possible assuring a fair, open, and honest election.

J. Voting at the Annual Meeting. Either third-party representatives, members of the EC, or other designated volunteers will oversee in-person voting at the Annual Meeting. The EC will provide the third party with electronic voting system login credentials, voter lists, and supplies necessary to conduct the election, including materials necessary for in-person voting. Before any in-person voting is allowed for any lot account, an election volunteer will verify that no vote has already been tallied for that lot account. Specific in-person voting and ballot counting procedures will be available two weeks prior to the Annual Meeting.

K. Post-Election Review. Within 30 days after this election, the Board shall solicit member feedback regarding the election; within 120 days, the EC will review feedback and modify these procedures, as necessary, for Board approval.

L. Election Materials. All election materials, electronic and paper, will be maintained in Association records per applicable A.R.S.

M. Election Committee Meetings. Meetings will be conducted openly in accordance with A.R.S. 33-1804.

Attachment 1: Annual Membership Meeting & Election Timeline

- “D” is the date of the Annual Meeting.
- D minus 120-90 days: Research and approve third-party election vendors and services. Reserve meeting venue.
- D minus 90 days. Begin verifying all PO mailing and email addresses. Solicit nominations from members to run as candidates for the board of directors. Consolidate candidate statements. Verify voting method preferences.
- No earlier than D minus 50 days: Mail all property owners information about the date, time, location, purpose and agenda for the Annual Meeting of the Members, the number of upcoming board vacancies, general instructions and deadlines for electronic and paper ballot absentee voting, candidate names, and other information as necessary.
- D minus 60-45 days: Prepare and approve ballot materials. Receive and consolidate preferred voting methods and confirmed mailing/email addresses. Provide voter information to any third parties so they can prepare paper and electronic ballot material.
- D minus 30 days: Election opens. Mail paper and email electronic ballots and voting materials and voting instructions to each lot account. Identify volunteers to assist EC with meeting setup, equipment, and logistics.
- D minus 15 days: Publish Voting and Ballot Counting Procedures.
- D Day: Annual Membership Meeting and election day.
- Not Later Than 30 Days After Election: Capture lessons learned from election and consider updates to procedures.
- 120 Days After Election: Board reviews and approves updated election procedures.