



**Minutes of the Board Meeting
held on Wednesday, January 21, 2026
at 6:00 p.m. via Google Meet**

1. **Call to Order.** President N. Ceccarelli called the meeting to order at 6:02 p.m.
2. **Roll Call.** Board members present: N. Ceccarelli, W. Barfield, R. Kling, C. Peachey, N. Tribby, and S. Crosby. Absent: D. Vlastic. Audio was recorded with Google Meet.
3. **Approval of minutes of the December 17, December 30, and January 6 board meetings.** No changes were requested, the minutes were approved as written.
4. **Officer Reports**
 - a. **President's report** (N. Ceccarelli)
 - i. We have no new information from counsel or the mining company.
 - ii. She visited the open house in Gleeson where the mining company is working now. They may do open houses monthly or anyone can contact the personnel to ask for a tour and ask questions.
 - iii. Encourages everyone to pay their assessments on time.
 - b. **Vice President's report** (W. Barfield) Nothing to report.
 - c. **Treasurer's report** (R. Kling)
 - i. See attached financial report for December. The Flex Fund is now set up.
 - ii. Assessments were due Jan. 15. Sent reminders to those who haven't paid yet.
 - iii. Completed the 4th quarter review, no issues. The internal 2025 review is in progress by the Finance Committee and two other volunteers.
 - d. **Secretary's report** (C. Peachey)
 - i. Submitted a reimbursement request for sending the Annual Meeting announcement by Letterstream, \$115.44.
 - ii. Smith and Wamsley hourly legal rates have gone up approx. 4%, but our annual retainer fee remains the same.
 - iii. We received an invoice from Dustin's Grading for \$300 for hauling riprap for the work done at the wash by the windmill.

5. Committee Reports

- a. **Common Area Committee** (W. Barfield)
 - i. The next work project is the cuts on Last Trail, being planned now. The project on Stagecoach was taken care of by a resident. The remaining projects will require more than volunteer work.
 - ii. There are inquiries about clearing brush from roadway edges. A contractor quoted a high cost, so we can look into hiring private individuals, or ask members to volunteer. We can purchase safety goggles and gloves.
- b. **Architectural Review Committee** (W. Barfield)
 - i. We have received a site plan for a property, but no ARR for it yet.
- c. **Finance Committee** (R. Kling)
 - i. Met Dec. 31 to prepare for annual reviews. Next meeting not scheduled yet.
- d. **Election Committee** (C. Peachey)
 - i. Met Jan. 5 and 19 to continue preparations for the annual meeting and election on February 28 at the American Legion in Tombstone. The Annual Meeting announcement has been emailed and mailed to members. We have two candidates for the two open board seats. It will be an uncontested election, but we need a quorum, so encourage all to vote.
 - ii. Went over the Election Buddy vote setup. The online vote will open Jan. 28. Election Buddy creates the paper ballots and we will mail them by Letterstream.
 - iii. Finalized the voting and ballot counting procedures document to be voted on tonight.
 - iv. Arranged volunteers to help with the meeting and election and we'll do a walkthrough of the venue soon. People are organizing the breakfast and the speaker. The next committee meeting is not scheduled yet.

6. General member comments

7. Active agenda

- a. S. Crosby reported on the **Mining Survey results**. Forty-three members responded to the anonymous survey. General results were that a majority are aware of the mining proposals; are not in favor of changing the CCRs; would like more information on the mining proposals; are concerned about property value decrease; and are interested in researching a counter agreement. Thirty-three respondents provided comments. The full results will be sent to all members. We can plan a town hall once members have had time to review them.

- b. Consideration and decision on **2026 Voting and Ballot Counting Procedures**. After opportunity for board member and community discussion, the Procedures were approved unanimously on a roll call vote.
 - c. **Review of 2026 election ballots**. The Election Buddy site was shared on screen so the board could review the election setup parameters and preview the online and paper ballots.
 - d. After discussion of the **Draft Revised Treasurer Procedures**, clarification and revision was requested for section 9.3.3. and the vote was deferred to the next meeting. The treasurer welcomed further comments and suggestions.
 - e. Consideration and decision on **2025 and 2026 budget amendments to track expenses related to mining company activity**. After discussion of how to structure the budget to best track these expenses, the vote was deferred to the next meeting.
 - f. It was considered early to **request reimbursement** for any mining-related expenses, so a draft will be reviewed for any future need.
 - g. Call for business items for next monthly meeting. Revised Treasurer Procedures and budget structure, Annual Meeting final updates.
- 8. Comments from board members.** S. Crosby recommends a meeting with our attorney to help us prepare for what may lie ahead regarding the mining company activity. There is a lot to think about on this topic, including working on the Communication Committee. False rumors are circulating.
- 9. Next scheduled board meeting:** Wednesday, February 18, 2026.
- 10. Adjourned** at 8:00 p.m. without objection.

Submitted by C. Peachey, HLRPOA Secretary.

Approved Feb. 18, 2026.



Board Meeting Agenda
Wednesday, January 21, 2026, 6:00 p.m.
via Google Meet

1. Call to order
2. Roll call
3. Approval of minutes of the December 17, December 30, and January 6 meetings
4. Officer Reports
 - a. President's report. Update on mining issues, including 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. Report on Mining Survey results
 - b. Consideration and decision on 2026 Voting and Ballot Counting Procedures
 - c. Review of 2026 election ballots
 - d. Consideration and decision on Revised Treasurer Procedures
 - e. Consideration and decision on 2025 and 2026 budget amendments to track expenses related to mining company activity: The board directs the Treasurer to (a) Amend the 2025 budget by creating a new budget line, Third-Party Goal Support, in the Administrative budget category; transfer amounts from the Mailing budget line to this new budget line that reflect the two transactions in December, 2025, for \$108.00 and \$130.50; and (b) Amend the 2026 budget by inserting this new budget line, transferring amounts into this budget line in the future as approved by the Board.
 - f. Consideration and decision on the following motion: The Board directs the Treasurer to coordinate, for Board President signature, a request for reimbursement for expenses in the Third-Party Goal Support categories.
 - g. Call for business items for next meeting
8. Comments from Directors
9. Next board meeting date – Wednesday, February 18, 2026
10. Adjourn

HLR POA Treasurer's Report for December 2025

Bank Money	<u>Checking on 1 Jan</u>	<u>Reserves on 1 Jan</u>	<u>Flex Fund on 1 Jan</u>	<u>Total on 1 Jan</u>
	\$50,811.60	\$21,111.12	\$0.00	\$71,922.72

Money In		<u>Invoiced</u>	<u>Income in December</u>	<u>Income before 1 Jan</u>	<u>Balance</u>
	TOTAL	\$71,634.52	\$15,187.49	\$50,098.70	(\$21,535.82)
2026 Assessment		\$35,555.62	\$15,184.07	\$15,504.07	(\$20,051.55)
2025 Assessment		\$35,632.00		\$34,362.86	(\$1,269.14)
Bank Interest		\$0.00	\$3.42	\$40.75	\$40.75
Disclosure Fees		\$150.00		\$150.00	\$0.00
Recording Fees		\$60.00			(\$60.00)
Postage Fees		\$75.19		\$21.18	(\$54.01)
Debt Interest		\$161.71		\$19.84	(\$141.87)

Money Out		<u>Budget</u>	<u>Spent in December</u>	<u>Spent Jan - Dec</u>	<u>Unspent</u>
	TOTAL	\$44,334.16	\$1,210.37	\$24,783.84	\$19,550.32
Taxes		\$95.00		\$80.52	\$14.48
AZ Income Tax		\$50.00		\$50.00	\$0.00
Cochise County Property Taxes		\$35.00		\$20.52	\$14.48
Arizona Corporation Commission Fee		\$10.00		\$10.00	\$0.00
Services		\$4,200.00		\$2,487.00	\$1,713.00
Insurance		\$2,200.00		\$1,887.00	\$313.00
Legal		\$2,000.00		\$600.00	\$1,400.00
Common Areas		\$35,600.00	\$703.07	\$20,387.60	\$15,212.40
Road Grading		\$25,500.00		\$16,970.00	\$8,530.00
Road Repair		\$6,500.00	\$703.07	\$1,364.20	\$5,135.80
Windmill		\$3,300.00		\$2,053.40	\$1,246.60
Maintenance		\$300.00			\$300.00
Administrative		\$4,439.16	\$507.30	\$1,828.72	\$2,610.44
Annual Meeting and Election		\$2,500.00	\$92.25	\$596.62	\$1,903.38
Website		\$376.16		\$190.75	\$185.41
Mailings (original \$250 plus \$100 add 7/1		\$750.00	\$311.18	\$542.38	\$207.62
Google Business Suite		\$200.00	\$103.87	\$195.97	\$4.03
Financial Review		\$125.00		\$125.00	\$0.00
Post Office Box		\$88.00		\$88.00	\$0.00
County Recorder Fees		\$270.00		\$90.00	\$180.00
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>
Annual Meeting and Election	1164	12-Dec-25	\$92.25
Google Business Suite	1165	16-Dec-25	\$103.87
Mailings	1166	16-Dec-25	\$108.00
Road Repair	1167	20-Dec-25	\$608.40
Road Repair	1168	21-Dec-25	\$11.50
Road Repair	1169	21-Dec-25	\$41.30
Road Repair	1170	21-Dec-25	\$41.87
Mailings	1171	21-Dec-25	\$62.98
Mailings	1172	21-Dec-25	\$9.70
Mailings	1173	28-Dec-25	\$130.50

HLRPOA 2026 Board of Directors Election

Voting and Ballot Counting Procedures

Approved Jan. 21, 2026

OVERVIEW

At the Annual Meeting and Election on February 28, 2026, members will vote to elect two directors. As stated in HLRPOA Election Procedures, approved on December 17, 2025, lot account owners may vote in three ways: electronic ballot by email, paper ballot by mail, or in person at the Annual Meeting.

Electronic and mail-in voting open on January 28 and close on February 27. Electronic voting closes at midnight (AZ time) on February 27, and mail-in ballots must be received by February 27 at the mailing address provided. Instructions are included with the ballots. In-person voting will be open from 10:00 a.m. to 11:00 a.m. at the February 28 Annual Meeting. Voting at the meeting will be via paper ballot only. Election volunteers and third-party Vote Monitor(s) will assist voters. Only the Vote Monitor and the EC Chair will have access to the electronic voting vendor (Election Buddy) account. The Vote Monitor will announce election results after all ballots have been processed.

These procedures detail how the paper ballots will be counted, and how the electronic and paper ballot counts will be integrated into a final vote tally.

COLLECTION OF MAILED/ABSENTEE BALLOTS

The Vote Monitor and one other election volunteer will pick up all mailed/absentee paper ballots from PO Box 55, Tombstone, AZ 85638, at 9:30 a.m. on February 28. Mailed ballots received after this date/time will not be counted.

The two volunteers will immediately place the mailed ballots in a large envelope, seal the envelope, and bring the envelope to the Annual Meeting.

VOTING PROCEDURES

Voter Instructions -- To Vote at the Meeting:

1. The Election Committee will provide ballots and envelopes at the meeting for voters who do not bring their mailed ballot materials.
2. Do not cast a ballot if your lot account has already voted electronically or by mail. If it is determined during vote counting that a lot account has cast more than one vote, the first vote cast will be considered valid and the most recently cast vote (either electronic or paper) will be considered spoiled and will not be counted.
3. For each completed ballot, first place the ballot inside the small secret ballot envelope and seal it; then place this ballot envelope inside the larger mailing envelope and seal it.
4. Place only ONE ballot in each envelope set. If, during vote counting, more than one ballot is found in an envelope, the ballots will be placed in the spoiled ballot repository and will not be counted.
5. **You must write your name, address, signature** (per Arizona Revised Statute 33-1812.A6), and lot number on the outside of the mailing envelope. Envelopes without the required information will be placed in the spoiled ballot repository and will not be counted.
6. Hand your sealed ballot to the voter registrar. After the registrar checks your information, insert your envelope into the ballot box and leave the voting area.

Volunteer Instructions – To Assist a Voter:

1. Provide a ballot, ballot envelope, and outer envelope to the voter, if needed. Ask them to confirm they have not already voted electronically or by mail.
2. Before the voter places the envelope in the ballot box, take the outer envelope and ensure it contains the voter's name, address, signature, and lot number. Ask them to supply missing information if necessary. Ask them to confirm there is only one ballot in the envelope. Log last name and lot number on the "In-Person Voting" list.
3. Return the envelope to the voter to insert into the ballot box.

BALLOT COUNTING PROCEDURES

General Instructions:

1. The EC Chair oversees the ballot counting process.
2. Detailed procedures are broadly divided into (i) checking envelope information, (ii) separating ballots from envelopes, and (iii) counting votes.
3. Steps are conducted in a manner to preserve ballot secrecy and election integrity. Ballots should always be kept face down until the ballot counters count them. No one shall write on any ballot. Each volunteer conducts their task independently, seeking assistance from the EC Chair only, not from other volunteers.
4. Counting will take place in a separate but open area where members may observe the process. Observers may not make comments to the counters or others involved in the process. If they attempt to interfere, they will be asked to leave the counting area.

Step 1, Log Envelopes Collected from the PO Box in Tombstone:

- (1.1) Unseal the envelope of absentee ballots and make a list of the enclosed envelopes, listing last name and lot number. Voter credentials will be checked in Step 3.
- (1.2) Place the logged envelopes into the ballot box.

Step 2, Remove Envelopes from the Ballot Box:

- (2.1) Unlock the ballot box, remove all envelopes, and place them in a basket.

Step 3, Check Envelopes Against Property Owner Roster:

- (3.1) Check each outer envelope to compare the name, address, and lot number against the approved roster of property owners and lot accounts. **Do not open any envelope.** Place a mark on the roster to indicate a paper ballot has been received for that lot account. Place the checked envelope in a new basket.
- (3.2) Set aside envelopes in the Unresolved Ballot basket if any of the following apply:
 - a. An envelope does not have the name, address, and signature of the property owner, thus violating Arizona Revised Statute 33-1812.A6. In this case, after the EC Chair confirms the information is missing, this ballot will be considered spoiled.

- b. Lot number is missing from the envelope. In this case, if the property owner name and address can be matched with corresponding lot number, and if no other envelope has been received for that lot account, this envelope may be logged per step 3.1.
- c. Information on the envelope does not match the property owner roster.
- d. There is more than one envelope for a lot account.

(3.3) The EC Chair will attempt to resolve any discrepancies so that all valid votes can be counted.

(3.4) Pass all checked and valid envelopes to the Vote Monitor.

Step 4, Vote Monitor Checks Envelopes Against Election Buddy Voter Status:

(4.1) Check each envelope against the Election Buddy Voter Status to ensure that no lot account that submitted a paper ballot has also voted electronically. **Do not open any envelope.**

(4.2) If a lot account has already cast an electronic vote, place the unopened envelope in the Unresolved Ballot basket and notify the EC Chair. The first vote cast (whether electronic or paper) will be considered valid and the most recently cast vote will be considered spoiled.

(4.3) Pass all checked and valid envelopes to the next volunteer.

Step 5, Open Outer Envelopes:

(5.1) Slit open each outer envelope and remove the inner (secret) ballot envelope.

(5.2) If the outer envelope contains more than one secret ballot envelope, restuff the envelope, place it in the Unresolved Ballot basket, and notify the EC Chair for resolution.

(5.3) Place the unopened secret ballot envelopes in one basket and the empty outer envelopes in a separate basket.

(5.4) When all envelopes have been processed, pass the basket of unopened secret ballot envelopes to the next volunteer. EC Chair collects and retains empty outer envelopes.

Step 6, Open Secret Ballot Envelopes:

(6.1) Slit open each secret ballot envelope and ensure there is only one ballot per envelope.

(6.2) If the envelope contains more than one ballot, restuff the envelope, place it in the Unresolved Ballots basket, and notify the EC Chair. These ballots will be considered spoiled.

(6.3) Remove each ballot and stack the ballots face down in a ballot basket. Do not turn over the ballots or attempt to look at the written side. Place the empty envelopes in a separate basket.

(6.4) Pass the basket of face-down ballots to the next volunteer. EC Chair collects and retains empty envelopes.

Step 7, Tally Votes, Volunteer 1:

(7.1) Fill out the information at the top of the tally sheet.

(7.2) Turn over each ballot one at a time. If the ballot is illegible, if too many candidates are voted for, or if there are other concerns, place the ballot face down in the Unresolved Ballots basket for resolution with the EC Chair.

(7.3) For each valid ballot, place tally marks next to the candidates' names to log the votes received.

(7.4) Place each reviewed ballot face down in a new basket. Once all ballots have been processed, pass the basket of face-down ballots to the next volunteer, who repeats this process.

(7.5) Add up the total number of paper ballot votes for each candidate on your tally sheet.

Step 8, Tally Votes, Volunteer 2:

(8.1) A second volunteer tallies the votes using the procedures listed in Step 7, using a separate tally sheet.

Step 9, Compare Tally Sheets:

(9.1) Volunteers 1 and 2 pass their tally sheets to the EC Chair who will check if the totals of the two volunteers match. If they do not match, the two volunteers count the ballots again, using new tally sheets. The process is continued until the EC Chair confirms that the tallies of the two counters match and is confident the tally is accurate.

Step 10, Add Electronic Votes:

(10.1) The Vote Monitor opens the electronic voting results in Election Buddy and writes the electronic totals for each candidate in the appropriate column on the two tally sheets. The EC Chair confirms the transcription is correct.

(10.2) Return the tally sheets to the two vote tally volunteers. The volunteers add up the paper plus electronic votes for each candidate to determine the total number of votes for each candidate.

(10.3) Pass the tally sheets to the EC Chair who will check if the totals of the two volunteers match. If they do not match, the volunteers add the paper and electronic totals again until the EC Chair confirms that the tallies of the two counters match.

(10.4) Provide the tally sheets to the Vote Monitor, who will inform the Annual Meeting chair that election results are ready to announce.

Step 11, Collect Election Materials:

(11.1) The EC Chair collects all ballots, tally sheets, voter roster, envelopes, and other election materials to be archived in Association files.

Revision of High Lonesome Ranch Estates Property Owners Association

Treasurer Policies and Operating Procedures

Deleted Text

Added Text

1. **Overview.** The purpose is to define how and when the Treasurer and others act on behalf of the Association regarding finances. The goal is to keep procedures effective, fair, efficient, and current. Superior governing documents prevail in any conflict with this document, and this document prevails in any conflict with any earlier document of equal authority. These procedures expire if incorporated into the Association Rules, if superseded, or if not renewed before ~~July 31, 2028~~ February 1, 2029.

2.2. **Budget Changes.** ~~As circumstances warrant, the Board may amend the budget.~~ The Board may amend the budget to shift funds between budget lines, budget categories, and/or accounts. Budget amendments will specify the dollar amount being shifted, the source of the funds, and the destination of the funds. Publish the amended budget, citing the date of amendment, and request that it be posted on the Association website.

3.2. **Calculation.** ~~The assessment amount should roughly equal the amount of needed funds for the fiscal year, divided by the number of lot accounts. The needed funds for the fiscal year should equal the total budgeted for the year, plus the minimum operating fund, minus any excess funds from the previous year.~~ The total assessment amount should roughly equal the amount of budget, if possible. The individual assessments equals the total assessment divided by the number of lot accounts

3.7.2. **Late.** Send an invoice for the late fee along with a notice detailing account status, consequences to date, pending consequences, and procedures on requesting to be heard.

9. **Bank Accounts.** Only the Treasurer can establish or terminate a bank account, and only with the Board's authorization. There are three accounts: Checking, Reserves, and Flex Fund.

9.1. **Checking Account.** All deposits go only into, and all payments are made only from, the checking account, except for bank interest and inter-account transfers.

9.2. **Reserve Account.** This fund is explained and constrained by the Declaration and the Bylaws.

9.3. **Flex Fund Account.** This account receives leftover end-of-year funds. Some funds can be used for the Board's obligation to keep the Association on solid financial footing, and some can be returned to members.

9.3.1. **Leftover Funds.** At the close of the calendar year, the Treasurer transfers leftover funds from checking to Flex Fund. Leftover funds are the new year's assets that exceed the new year's requirement. The requirement is the sum of the new year's budget plus operating fund (equal to 25% of the budget). Assets equal the sum of the checking account balance plus the new year's unpaid annual assessments, minus the past year's uncleared payments and unpaid bills.

9.3.2. **Solid Financial Footing.** The Board determines what funds need to be held to keep the Association on a solid financial footing. When needed, the Board directs the Treasurer to amend the current budget with a solid-financial-footing requirement and transfer appropriate funds from Flex Fund to checking.

9.3.3. **Return Funds to Members.** The Board determines the amount to be returned to members when they set the next year's budget and annual assessment. The Treasurer will return the amount to all lot accounts in 'Member-in-good-standing' status with the next year's annual assessment invoices.
