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

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

1. **Call to Order.** 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. Absent: S. Crosby. Audio was recorded with Google Meet.

3. **Approval of minutes of the September 16 meeting.** No changes were requested and the minutes were approved as written.

4. **Officer Reports**

   a. **President's report** (W. Barfield)
      i. Our new Directors and Officers insurance policy will cost over $9,000. The first payment is due soon and will come out of the 2026 budget. We will continue to look for a less expensive policy.

   b. **Vice President's report** (N. Tribby). Nothing to report.

   c. **Treasurer's report** (R. Kling)
      i. See attached financial report for September. The new format was created with the help of AI.

   d. **Secretary's report** (C. Peachey)
      i. Multiple HLR properties have been bought by two different large corporations. We should consider sending a letter to all property owners to inform them, as it may signal changes coming to the ranch.

5. **Committee Reports**

   a. **Common Area Committee** (N. Tribby). The last meeting was in person, the committee visited critical areas and made a list of road projects to complete. They will be voted on at this meeting.

   b. **Architectural Review Committee** (W. Barfield). No pending requests.

c. **Finance Committee** (R. Kling). At the last meeting, we drafted the resolutions to be voted on tonight. Next meeting is scheduled for 10/25 to prepare assessment paperwork – notifications, reminders, and timeline.

d. **Election Committee** (C. Peachey).
   i. At the past two Election Committee meetings, the committee updated the Election Procedures documents with minor changes, to be voted on at this board meeting.
   ii. After a brief discussion, the board agreed to hold the 2027 Annual Meeting on Saturday, March 13. The committee can work on choosing the venue and agenda.

6. **General member comments**

**7. Active agenda**

**a. Draft Enforcement Policy.** C. Peachey **moved to approve the draft Enforcement Policy and send it for legal review**. D. Vlasic seconded. The cost of legal review is unknown, depends on the time required. R. Kling reported $2700 left in the 2026 Legal budget line. After opportunity for board and general member comment, **the motion failed on a roll call vote**. YES = CP, DV; NO = NT, RK, WB. W. Barfield **moved to adopt the Enforcement Policy as written**. N. Tribby seconded. After board discussion, W. Barfield **withdrew the motion** and will ask for an estimated cost of legal review, along with advice on the necessity of legal review.

**b. Updated HLRPOA Election Procedures.** C. Peachey **moved to adopt the updated Election Procedures**. R. Kling seconded. The minor changes made were highlighted in the document and sent to all members. The Ballot Counting Procedures document was integrated into the main document. After opportunity for board and general member comment, **the motion carried unanimously on a roll call vote**.

**c. Common Area Committee road projects.** W. Barfield **moved to approve five specified road repair projects as published and authorize the Common Area Committee to execute the projects within budget** (see attached). R. Kling seconded. After opportunity for board and general member comment, **the motion carried unanimously on a roll call vote**.

**d. Online transaction fees.** R. Kling **moved that the association will pay the transaction fees for online payments of assessments and other charges, reversing an earlier board decision, and will amend the Treasurer Policies and Procedures to remove the online-payment transaction fee constraint**. C. Peachey seconded. This will make payments easier for property owners and the treasurer. After opportunity for board and general member comment, **the motion carried 4-1 on a roll call vote**. YES = CP, NT, RK, WB; NO = DV.

**e. 2027 annual budget of $42,869.** R. Kling **moved to approve the 2027 budget of $42,869**. W. Barfield seconded. After opportunity for board and general member comment, **the motion carried 3-2 on a roll call vote**. YES = DV, WB, CP; NO = NT, RK.

**f.** **Approve the 2027 annual assessment of $314.00 per lot account.** R. Kling **moved to set the 2027 annual assessment at $314 per lot account**. W. Barfield seconded. The assessment originally had no increase for 2027, but the cost of the new insurance policy raised the budget and therefore the assessment. This assessment amount is a 20 percent increase over 2026. After board and general member comment, R. Kling **amended the motion to set the 2027 annual assessment at $288 per lot account**. W. Barfield seconded. This new amount is a 10 percent increase over 2026. If a cheaper insurance policy is not found in 2027, the shortfall can be taken from the flex fund. After opportunity for board and general member comment, **the motion carried 4-1 on a roll call vote**. YES = DV, WB, NT, RK; NO = CP.

**g.** R. Kling **moved to amend the agenda to amend the 2027 budget item just passed**. W. Barfield seconded. After discussion of procedural details and opportunity for board and general member comment, the **motion carried 3-2 on a roll call vote**. YES = WB, NT, RK; NO = CP, DV.

**h.** R. Kling **moved to remove $2701 from the Insurance budget line of the 2027 annual budget just passed**. W. Barfield seconded. This results in a **2027 budget of $39,168**, bringing it into line with the income expected from assessments, after voting for the $288 assessment. After opportunity for board and general member comment, **the motion carried 4-1 on a roll call vote**. YES = WB, NT, RK, CP; NO = DV.

**i.** **Assessment due date.** R. Kling **moved to approve the 2027 assessment due date of January 1, 2027, with a split payment option whereby the unpaid balance is due May 1, 2027, when half or more of the assessment is received by January 1**. W. Barfield seconded. This due date means that invoices can be sent out before the holidays. After opportunity for board and general member comment, **the motion carried unanimously on a roll call vote**.

**j.** **Amend the budget line for Insurance in the 2026 budget.** W. Barfield **moved to transfer $8000 from the operating fund to the 2026 Insurance budget line**. R. Kling seconded. To pay the new insurance bill next month, we need $9377 in the Insurance line. After opportunity for board and general member comment, **the motion carried unanimously on a roll call vote**.

**k.** **Amend the budget line for Legal in the 2026 budget.** R. Kling **withdrew this motion**, as we have not yet received the bill for recent legal services related to the Arizona Department of Real Estate complaint.

**l.** **Approve the 2027 Fee Schedule.** R. Kling **moved to approve the 2027 Fee Schedule with an amendment to the CCR Violation fee to $72**. W. Barfield seconded. The CCR violation fee is calculated as 25 percent of the assessment, and since the assessment amount was changed, the new CCR violation fee is $72. FIX THIS. After opportunity for board and general member comment, **the motion carried unanimously on a roll call vote**.

m. **Flex fund.** R. Kling made the following multipart motion: **1. The Flex Fund remains unrestricted, flexible, and unsegmented. 2. The Flex Fund target size is $30,000, based on internal designations of $25,000 for legal contingency risks and $5,000 for general contingency risks. 3. The board may deploy Flex Fund resources by directing the treasurer to transfer the needed amounts into the checking account for expenditures. 4. The treasurer will calculate the excess funds in the checking account at year's end after accounting for all 2026 and 2027 assets, liabilities, and requirements; then will transfer the excess funds into the Flex Fund account until the target is achieved; and then will transfer any remaining excess funds into the Reserve account.** The motion was seconded. After opportunity for board and general member comment, **the motion carried unanimously on a roll call vote**.

n. **Bylaws review.** W. Barfield tabled this discussion until next month in the interest of time.

o. **Call for business items for next meeting.**
   i. Discuss notifying property owners of lot sales.
   ii. Discuss proposed changes to the bylaws.

8. **Comments from board members.** None.

9. **Next board meeting:** Wednesday, November 18, at 6 pm.

10. **Adjourned** at 7:52 p.m. without objection.

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, October 21, 2026**
**at 6:00 p.m. via Google Meet**

1. Call to order
2. Roll call
3. Approval of minutes of the September 16 board meeting

4. Officer Reports

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. **Consider and vote on the following motions**:
   a. Approve the Draft Enforcement Policy.
   b. Approve and adopt the updated HLRPOA Election Procedures.
   c. Approve five specified road repair projects and authorize the Common Area Committee to execute the projects within budget.
   d. Approve that the POA may offer online payments and will pay the transaction fees, and amend the *Treasurer Policies and Procedures* to remove the online-payment transaction fee constraint.
   e. Approve the 2027 annual budget of $42,869.
   f. Approve the 2027 annual assessment of $314.00 per lot account.
   g. Approve the 2027 assessment due date of January 1, 2027, with a split payment option whereby the unpaid balance is due May 1, 2027, when half or more of the assessment is received by January 1.
   h. Amend the budget line for Insurance in the 2026 budget.
   i. Amend the budget line for Legal in the 2026 budget.
   j. Approve the 2027 Fee Schedule.
   k. Approve a Flex Fund target size of $35,000.
   l. Discuss input related to reviewing and updating the Bylaws.

8. Comments from Directors
9. Next scheduled board meeting date – Wednesday, November 18, 2026
10. Adjourn

# Treasurer's Report for September 2026

High Lonesome Ranch Estates Property Owners Association

## 1. Bank Account Balances

| Account / Holding (Vantage West) | Ending Balance |
|---|---|
| Checking (Vantage West) | $34,015.24 |
| Flex Fund (Vantage West) | $16,532.63 |
| Reserves (Vantage West) | $21,139.81 |
| **Total Cash and Bank:** | **$71,687.68** |

## 2. Budget vs. Expenditures

| Budget Line / Account | Annual Budget | Current Month | YTD Expenses | Unspent Budget | Percent Spent (%) |
|---|---|---|---|---|---|
| Admin: Annual Meeting and Election | $1,500.00 | $0.00 | $480.01 | $1,019.99 | 32.00% |
| Admin: Financial Review | $150.00 | $0.00 | $135.00 | $15.00 | 90.00% |
| Admin: Mailings | $515.00 | $0.00 | $394.73 | $120.27 | 76.65% |
| Admin: PO Box | $100.00 | $0.00 | $90.00 | $10.00 | 90.00% |
| Admin: Website | $410.00 | $0.00 | $115.87 | $294.13 | 28.26% |
| Cochise County Property Taxes | $30.00 | $0.00 | $0.00 | $30.00 | 0.00% |
| Common Area Other | $450.00 | $0.00 | $0.00 | $450.00 | 0.00% |
| Common Areas: Road Maintenance | $32,000.00 | $15,632.50 | $17,164.84 | $14,835.16 | 53.64% |
| Common Areas: Road Repair | $0.00 | $0.00 | $182.06 | -$182.06 | Unbudgeted |
| Common Areas: Windmill | $350.00 | $0.00 | $311.90 | $38.10 | 89.11% |
| County Recorder Fees | $180.00 | $0.00 | $0.00 | $180.00 | 0.00% |
| Delinquent Account Burden | $865.00 | $0.00 | $0.00 | $865.00 | 0.00% |
| Finance: Accounting Systems | $240.00 | $0.00 | $224.32 | $15.68 | 93.47% |
| Google Business Suite | $240.00 | $0.00 | $0.00 | $240.00 | 0.00% |
| Merchant Account Fees | $0.00 | $0.00 | $59.29 | -$59.29 | Unbudgeted |
| Office Supplies | $50.00 | $0.00 | $0.00 | $50.00 | 0.00% |
| Services: Insurance | $2,400.00 | $59.00 | $59.00 | $2,341.00 | 2.46% |
| Services: Legal Fees | $3,400.00 | $245.00 | $622.00 | $2,778.00 | 18.29% |
| Taxes: AZ Corp Commission | $100.00 | $37.00 | $86.00 | $14.00 | 86.00% |
| Taxes: Income Tax | $50.00 | $0.00 | $50.00 | $0.00 | 100.00% |
| **Total Operating Expenses** | **$43,030.00** | **$15,973.50** | **$19,975.02** | **$23,054.98** | **46.42%** |



This is for informational purposes only. AI responses may include mistakes.

## 3. Purchases by Vendor

| Vendors | All Purchases | Paid Purchases |
|---|---|---|
| AZ Corp Commission | $37.00 | $37.00 |
| Cochise County Treasurer | $19.86 | $0.00 |
| Dustin's Grading | $15,632.50 | $15,632.50 |
| Farm Bureau Financial Services | $59.00 | $59.00 |
| Schneider, Onofry & Lomeli, P.C. | $183.50 | $0.00 |
| Smith+Wamsley | $245.00 | $245.00 |
| WAVE | $186.32 | $0.00 |
| **Total Purchases** | **$16,363.18** | **$15,973.50** |

## 4. Privacy-Sanitized Aged Receivables Summary

• Accounts Not in Good Standing: **8** accounts

• Accounts in Collections: **5** accounts

| Account Identifier | 30 Days or Less | 31 to 60 Days | 61 to 90 Days | 91 Days or More | Total Unpaid |
|---|---|---|---|---|---|
| Account A | $0.00 | $0.00 | $0.00 | $2,152.88 | $2,294.23 |
| Account B | $0.00 | $0.00 | $0.00 | $844.71 | $1,042.42 |
| Account C | $0.00 | $0.00 | $0.00 | $844.71 | $1,042.42 |
| Account D | $0.00 | $0.00 | $0.00 | $16.48 | $16.48 |
| Account E | $0.00 | $0.00 | $0.00 | $2.74 | $2.74 |
| Account F | $0.00 | $0.00 | $0.00 | $278.74 | $306.09 |
| Account G | $0.00 | $0.00 | $0.00 | $278.74 | $306.09 |
| Account H | $0.00 | $0.00 | $0.00 | $278.74 | $306.09 |
| Account I | $0.00 | $0.00 | $0.00 | $6.91 | $6.91 |
| **Total Unpaid** | **$0.00** | **$0.00** | **$0.00** | **$4,704.65** | **$5,323.47** |

## 5. Notes

• **Mining-related expenses:** $108.00, 12/16/2025, LetterStream invoice #13009847, Initial info to membership.

• **Mining-related expenses update:** $130.50, 12/28/2025, LetterStream invoice #13054248: Information update to membership.



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**High Lonesome Ranch Estates Property Owners Association**

# Enforcement Policy

Final Draft for member review, September 16, 2026

**1. Expectations to Abide:** The Board of Directors of the High Lonesome Ranch Estates Property Owners Association and Property Owners within the Association have an expectation that all Property Owners will abide by the Declaration of Conditions, Covenants, Restrictions, and Easements (the Declaration), the Association's Rules, and the Association's Bylaws (collectively referred to here as the governing documents). The Association's Board of Directors is not, as a rule, actively inspecting for violations of the governing documents, but will act on reported violations in accordance with this Enforcement Policy. Property Owners aware of a violation of the governing documents should report the violation using the Association's Complaint Form; anonymous complaints will not be accepted.

**2. Initial Opportunity to Cure:** When allegation of a violation of the governing documents is noted by or reported to the Association's Board of Directors or its authorized agent using the Complaint Form, informal notice will be sent to the Property Owner by email or by US Postal Service describing the alleged violation and the action necessary to bring the property into compliance. This notice will give a reasonable timetable for corrective action, which will be at least ten business days from the date of the notice. This informal notice is the preferred method of addressing violations in the hope that a property owner will take corrective action and that no further action will be necessary. If the violation is not cured within the allotted time or if the Property Owner requests formal notice, the Association's Board of Directors will proceed with formal enforcement as described below. An informal opportunity to cure does not eliminate applicable statutory rights.

**3. Formal Notice of Violation:** (ARS 33-1803) When informal efforts fail to cure a violation of the governing documents that has been reported using the Complaint Form, formal notice will be sent to the Property Owner's address of record by certified mail. The Board of Directors will first attempt to substantiate the reported violation. The Secretary will include in the minutes of the next meeting of the Association's Board of Directors a statement documenting the mailing of the notice to the Property Owner. The notice sent to the Property Owner will include:

A. The provision of the governing documents that has allegedly been violated.
B. The date of the violation or the date the violation was observed.
C. The first and last name of the person or persons who observed the violation.
D. Actions required to cure the violation by a specified date.
E. Penalties and fines that may be imposed if the violation is not cured. See ARS 33-1803.B.
F. The process the Property Owner must follow to contest the notice (per ARS 33-1803.C.).
G. Notice of the Property Owner's option to petition for an administrative hearing in the Arizona Department of Real Estate pursuant to ARS 32-2199.01.

**4. Property Owner Response to Notice:**

**4A. Curing the Violation.** If the Property Owner cures the violation and informs the Board of Directors in writing within the specified date, the Board of Directors will verify compliance within ten days and issue a letter stating the matter is closed.

**4B. Contesting the Notice of Violation.** As specified in ARS 33-1803, a member (Property Owner) who receives a written notice that the condition of the property owned by the member is in violation of the community documents may provide the association with a written response by sending the response by certified mail within twenty-one calendar days after the date of the notice. The response shall be sent to the address identified in the notice. Within ten business days after receipt of the certified mail containing the response from the member, the association will send by certified mail a written response that includes any requested information and sets a date for the Property Owner's opportunity to be heard in a meeting with the Association's Board of Directors.

**5. Deliberation by the Board of Directors:** Unless the Property Owner has arranged an earlier date for an opportunity to be heard, no sooner than twenty-one calendar days following the date of initial notice to the Property Owner the Association's Board of Directors will meet to determine if the violation has been or is being cured. In those cases where no action is being taken to cure the violation, the Association's Board of Directors will deliberate on the imposition of monetary penalties or referral to the Association's attorney for appropriate legal action. The Property Owner will be given notice at least ten days in advance of the meeting and provided an opportunity to be heard before the Association's Board of Directors begins deliberation.

**6. Notice of Decision:** Within ten days of deliberation, the Association's Board of Directors will send notice to the Property Owner by certified mail documenting the Association's decision regarding the disposition of the initial complaint, any request for an extension of the opportunity to cure without penalty, the imposition of any monetary penalties, the date by which any monetary penalties must be paid, the actions the Association may take if monetary penalties are not paid, and second notice of the Property Owner's option to petition for an administrative hearing in the Arizona Department of Real Estate pursuant to ARS 32-2199.01.

**7. Cured Violations:** Once the violation has been cured, accrual of monetary penalties and any pending legal action ceases, but any unpaid accrued amounts continue as a debt against the Property Owner.

**8. Uncured Violations:** Monetary penalties continue to accrue until such time as the Property Owner notifies the Association in writing that the violation has been cured and arranges an inspection by the Association’s Board of Directors or its authorized agent. The Association may initiate legal action to obtain a judgment enforcing compliance with the governing documents if violations are not cured within a reasonable time.

**9. Monetary Penalties:** ARS 33-1803 provides for the board of directors to impose reasonable monetary penalties on members for violations of the declaration, bylaws and rules of the association, after notice and an opportunity to be heard. The monetary penalty for a violation will be one quarter of the Association's annual assessment (rounded to the nearest dollar) per lot per violation per calendar month (or any part of) that the violation remains uncured. The Association's Board of Directors will set the due date for the initial payment of any monetary penalties, which will be no fewer than thirty days after the date of notice of the Association's decision to impose monetary penalties.

**10. Collection of Unpaid Monetary Penalties:** (ARS 33-1807.B) The Association may seek judgment through a civil court of appropriate jurisdiction for a judgment lien against the property for collection of all unpaid monetary penalties as well as reimbursement of reasonable attorney fees and other costs associated with collecting the Property Owner's debt. This lien is effective on conveyance of any interest in the subject property.

**11. Records and Record Retention:** Records of the Association's attempts to resolve violations of the governing documents will be maintained per the Association's record retention policy.

A. Directors will summarize in an email any conversation with the Property Owner regarding alleged violations of the governing documents. The email will be sent to the Property Owner for concurrence as well as to the Association for record retention.
B. The Association will retain copies of all written correspondence between the Association's Board of Directors or its authorized agent and the Property Owner.
C. If applicable, reports of inspections by the Association's Board of Directors or its authorized agent will include photographs of the alleged violations.

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# High Lonesome Ranch Estates Property Owners Association

# ELECTION PROCEDURES

**Approved 21 October 2026**

## 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 may 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 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. In accordance with HLRPOA Bylaws section 2.4, only members in good standing will have their votes counted.

**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 of Directors.** 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 Appendix 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 Appendix 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 a voting method, 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. Election 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.

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.

**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.

**K. Special Elections and Meetings.** These are conducted pursuant to the provisions of ARS 33-1813 and HLRPOA election procedures, as amended from time to time.

**L**. **In-Person Voting and Ballot Counting Procedures.** See Appendix 2.

**M. 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.

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

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

## Appendix 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. Verify all PO mailing and email addresses and voting method preferences. Solicit nominations from members to run as candidates for the board of directors. Consolidate candidate statements. Rent PO box for collecting ballots.
- 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, candidate names, general voting information, 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: Finalize and publish Appendix 2. Schedule election volunteer training.
- 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.

## Appendix 2: In-Person Voting and Ballot Counting Procedures

***These procedures will be finalized and published prior to an election, filling in dates and other details.***

### *OVERVIEW*

Lot account owners may vote in three ways: electronic ballot by email, paper ballot by mail, or paper ballot in person at the Annual Meeting.

Electronic and mail-in voting open on *DATE* and close on *DATE*. Electronic voting closes at *TIME* on *DATE*, and mail-in ballots must be received by *DATE* at the mailing address provided. Instructions are included with the ballots. In-person voting will be open from *HOUR* to *HOUR* at the *DATE* 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 third party electronic voting account. 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.

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 xx*, Tombstone, AZ 85638, on the day of the Annual Meeting and Election. Mailed ballots received after this date 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.

e. The lot account is identified as not in good standing.

(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 Electronic Voting System Voter Status:**

(4.1) Check each envelope against the electronic voting system 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 and writes the electronic totals for each candidate in the appropriate column on the two tally sheets. In accordance with HLRPOA Bylaws section 2.4, only members in good standing will have their votes counted. 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.

# 5 Road Repair Projects

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**Resolution of the High Lonesome Ranch Estates Property Owners Association Board of Directors**

**WHEREAS**, the Common Area Committee (CAC) has prepared a plan based upon their firsthand evaluation of five reported road issues on **October 10, 2026**, titled *"Evaluations and Recommendations for Five Roadway Issues"* that identifies sites experiencing degradation due to drainage erosion, sediment accumulation, and water runoff; and

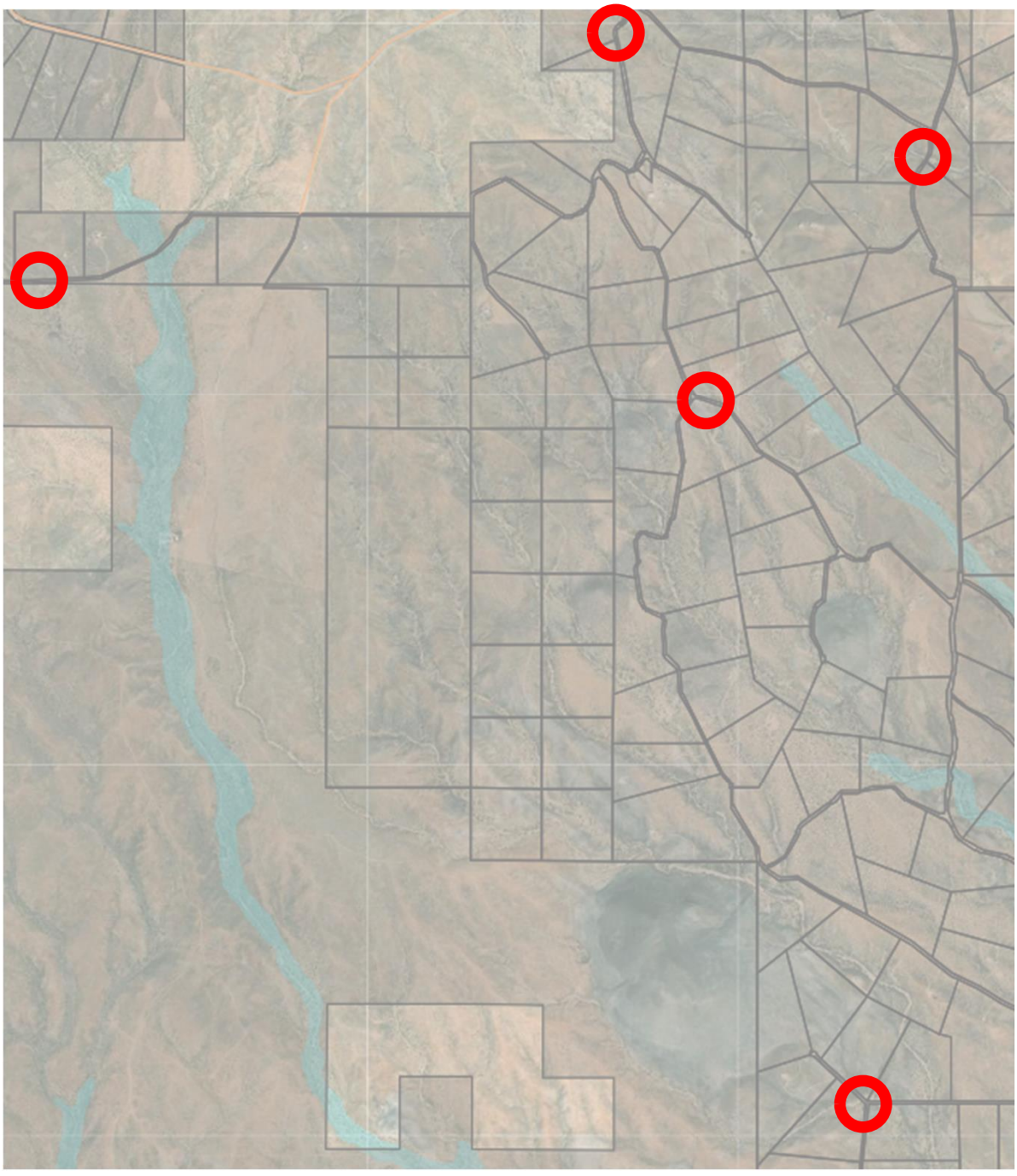
**WHEREAS**, the CAC recommends cost-effective remedial actions combining volunteer labor and professional grading services to mitigate these issues;

**NOW, THEREFORE, BE IT RESOLVED** that the board of directors approves the five road-repair projects and that the Common Area Committee is authorized, within budget, to execute the recommended fixes:

- **Foothill-Last Trail Intersection:** Temporary grading and sand removal ($250 to $1,250 depending on volunteer or professional equipment delivery).
- **Stagecoach Cut-Back (Lots 21-23):** Drainage cut-outs and cut-back filling using a professional grader ($380).
- **HLR Road Cut-Back (Lots 110-111B-123):** Diversion digging and wash filling via volunteer labor ($200), subject to lot owner permission.
- **Legend Ditch (Lots 118-119):** Cutting a new drainage ditch using a professional grader ($190).
- **Reata Ditch (Lot 131):** Installation of a 5-test "step" water bar system ($380 to $400).

# Evaluations and Recommendations for Five Roadway Issues

The Common Area Committee met for first-hand review of five issues (marked on the map below) that were chosen based on severity and rate of degradation. Several fixes were discussed for each issue. Following are the consensus evaluations and recommendations of the committee.



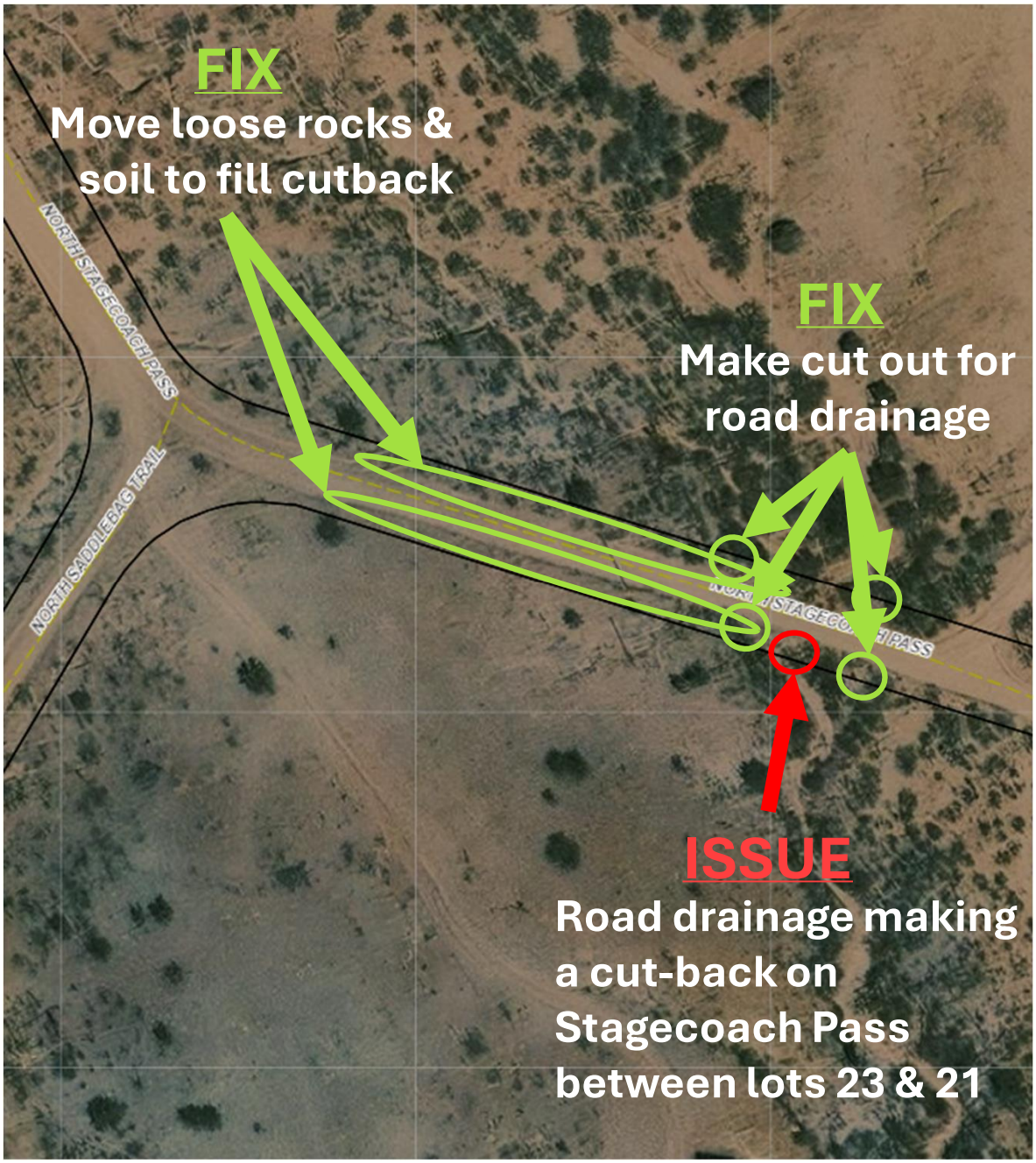
# Foothill-Last Trail Intersection




Long-term issue. Proposed fix estimate > $90K (years ago and may or not be a permanent solution). Discount fixes have caused side-effects sometimes making issue worse. For now, grade when needed, using volunteer(s) when available and/or schedule professional grading for earliest possible date.

Cost estimate: $250 to 1,250. Labor $250 (5 vol hours) or $1,250 (4 pro hours plus delivery)

# Stagecoach Cut-Back at 21-23




Steep slopes both from east and from west cause fast-water-flow erosion on south side of Stagecoach, just east of the culvert, that is creating a very deep cut-back that is eating into the road. Recommend cut-outs east and west of the issue on both north and south sides of the road to divert water away from the road to stop erosion, and filling the existing cut-back by filling it with loose rock and soil from both north and south edges of the road west of the issue; all using pro grader when available without added delivery charges.

Cost estimate: $380 (2 pro hours, scheduling to avoid delivery)

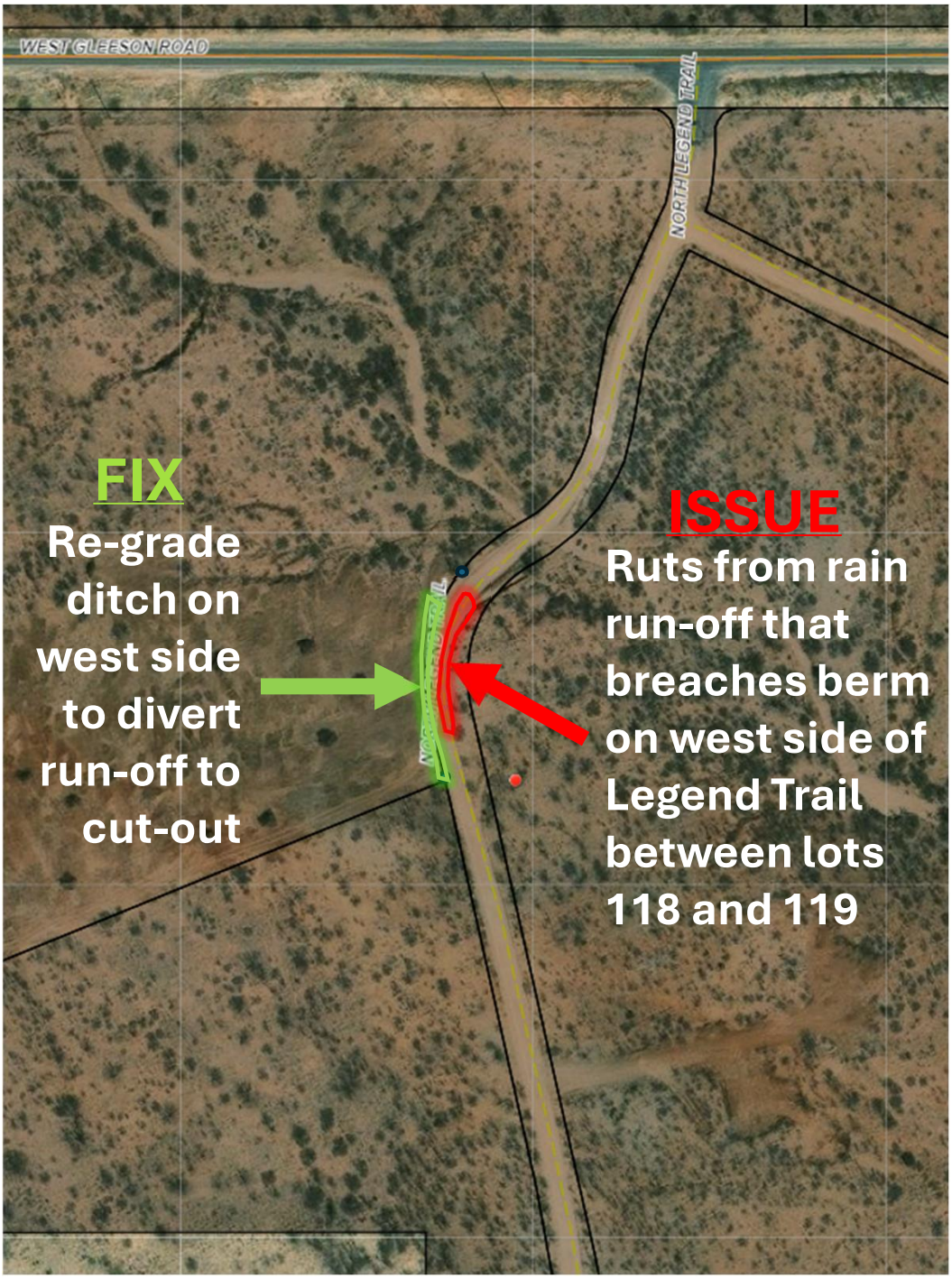
# HLR Rd Cut-Back at 110-111B-123




The 'established' wash suffers routine damages – minor erosion and loose sand. Very heavy rains overflowed 'established' wash to create new, parallel wash just south where soil is more vulnerable to erosion. Other drainage that once ran to the 'established' wash now flow to the new wash. Less-than-heavy rains now cause deep cutbacks eating into HLR Rd from east to west. To date, volunteers have filled and dragged the cutback on each occasion. Recommend upstream filling of 'new' wash and cutting (restoring) other drainage back into the 'established' wash using volunteer labor – provided owner give permission. Without permission, continue volunteer fill and drag when needed, or pro repair as quickly as possible.

Cost estimate: Labor $200 (8 vol hours)

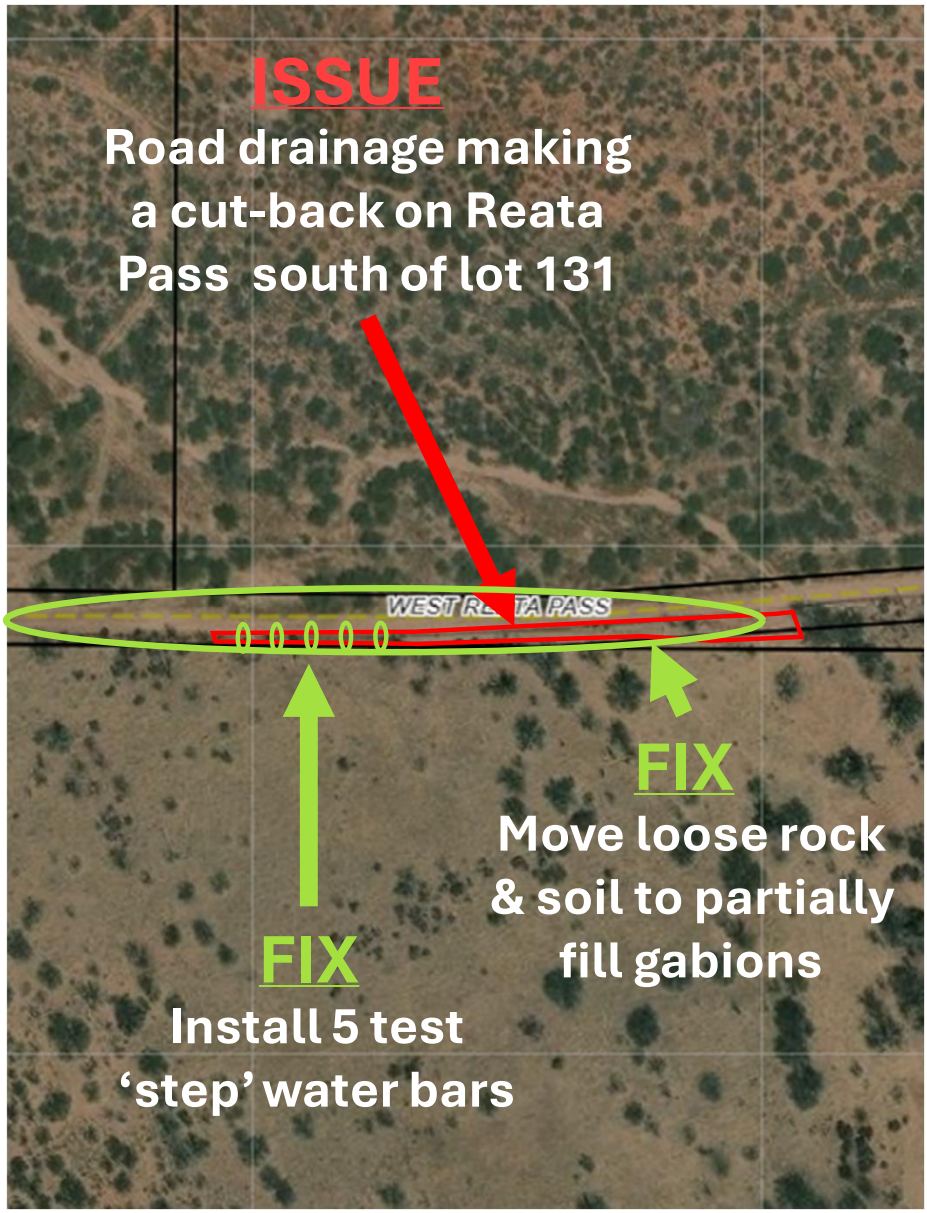
# Legend Ditch at 118-119




Run off from lot 118 cuts ruts across Legend Trail because the drainage ditch on the west side has filled with sediment. Recommend cutting a new ditch from the southeast corer of lot 118 going north to the existing cut-out using professional grader when delivery costs can be avoided.

Cost estimate: Labor $190 (1 pro hour, scheduling to avoid delivery)

# Reata Ditch at 131




Very deep cut near south side of Reata caused by steep slope, fast water draining west to east. Geo-tech and single gabion ineffective – water cut around them. Recommend trying a 'step' system to slow the water, placing 2xRR-tie water bars at shallow drop intervals. Begin with a test of 5 water bars starting on the west end of the issue area.

Cost estimate: $400 to Materials $300 ($30 per railroad tie) and Labor $100 (2 vol hours) or $380 (2 pro hours, scheduling to avoid delivery)

# HLR POA Current Budget for 2027

## Budget Total $39,168.00

### Administrative $2,132.00

| Budget Line | Initial Budget from 01-Jun-26 | Budget Amendments Amount | Date | Total |
|---|---|---|---|---|
| Annual Meeting and Election | $646.00 | | | $646.00 |
| Website | $206.00 | | | $206.00 |
| Mailings | $907.00 | | | $907.00 |
| Google Business Suite | $206.00 | | | $206.00 |
| Post Office Box | $100.00 | | | $100.00 |
| County Recorder Fees | $67.00 | | | $67.00 |

### Common Areas $24,773.00

| Budget Line | Initial Budget from 12-Sep-26 | Budget Amendments Amount | Date | Total |
|---|---|---|---|---|
| Road Maintenance | $24,155.00 | | | $24,155.00 |
| Windmill | $309.00 | | | $309.00 |
| Common Area Other | $309.00 | | | $309.00 |

### Finance $1,702.00

| Budget Line | Initial Budget from 02-Aug-26 | Budget Amendments Amount | Date | Total |
|---|---|---|---|---|
| Financial Review | $150.00 | | | $150.00 |
| Accounting Systems | $225.00 | | | $225.00 |
| Delinquent Account Burden | $943.00 | | | $943.00 |
| Merchant Fees | $384.00 | | | $384.00 |

### Services $9,917.00

| Budget Line | Initial Budget from 30-Aug-26 | Budget Amendments Amount | Date | Total |
|---|---|---|---|---|
| Insurance | $10,000.00 | ($3,701.00) | 21-Oct-26 | $6,299.00 |
| Legal | $3,618.00 | | | $3,618.00 |

### Taxes $644.00

| Budget Line | Initial Budget from 31-Aug-26 | Budget Amendments Amount | Date | Total |
|---|---|---|---|---|
| AZ Income Tax | $50.00 | | | $50.00 |
| Cochise County Property Taxes | $31.00 | | | $31.00 |
| AZ Corp Commission Fee | $48.00 | | | $48.00 |
| Tax Preparation | $515.00 | | | $515.00 |

**END OF REPORT**

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on: Wednesday, October 21, 2026 at 20:52

# HLR POA Current Budget for 2026

## Budget Total $51,030.00

### Administrative $2,995.00

| Budget Line | Initial Budget from 15-Oct-25 | Budget Amendments Amount | Date | Total |
|---|---|---|---|---|
| Annual Meeting and Election | $1,500.00 | | | $1,500.00 |
| Website | $410.00 | | | $410.00 |
| Mailings | $515.00 | | | $515.00 |
| Google Business Suite | $240.00 | | | $240.00 |
| Post Office Box | $100.00 | | | $100.00 |
| County Recorder Fees | $180.00 | | | $180.00 |
| Office Supplies | $50.00 | | | $50.00 |

### Common Areas $32,800.00

| Budget Line | Initial Budget from 15-Oct-25 | Budget Amendments Amount | Date | Total |
|---|---|---|---|---|
| Road Maintenance | $32,000.00 | | | $32,000.00 |
| Windmill | $350.00 | | | $350.00 |
| Common Area Other | $450.00 | | | $450.00 |

### Finance $1,255.00

| Budget Line | Initial Budget from 15-Oct-25 | Budget Amendments Amount | Date | Total |
|---|---|---|---|---|
| Financial Review | $150.00 | | | $150.00 |
| Accounting Systems | $200.00 | $40.00 | 19-Aug-26 | $240.00 |
| Delinquent Account Burden | $865.00 | | | $865.00 |

### Services $13,800.00

| Budget Line | Initial Budget from 15-Oct-25 | Budget Amendments Amount | Date | Total |
|---|---|---|---|---|
| Insurance | $2,400.00 | $8,000.00 | 21-Oct-26 | $10,400.00 |
| Legal | $3,400.00 | | | $3,400.00 |

### Taxes $180.00

| Budget Line | Initial Budget from 15-Oct-25 | Budget Amendments Amount | Date | Total |
|---|---|---|---|---|
| AZ Income Tax | $50.00 | | | $50.00 |
| Cochise County Property Taxes | $30.00 | | | $30.00 |
| Arizona Corporation Commission Fee | $10.00 | $90.00 | 20-May-26 | $100.00 |

**END OF REPORT**

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on: Sunday, October 25, 2026 at 21:37

# 2027 Annual Fee Schedule

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**Resolution of the High Lonesome Ranch Estates Property Owners Association Board of Directors**

Effective January 1, 2027, fees are:

- **Late Payment Fee:** **$9.00** each occurrence**.**
- **Postage Fee:** **$18.00** each occurrence.
- **Recording Fee:** **$48.00** each occurrence.
- **Disclosure Fee:** **$75.00** each occurrence.
- **CCR&E Violation Fee:** **$72.00** each month until resolved.