



**HIGH LONESOME RANCH ESTATES PROPERTY OWNERS ASSOCIATION**

P O Box 215, Elfrida, AZ 85610-0215  
Official website: [www.hlrpoa.com](http://www.hlrpoa.com)  
Official BOD e-mail: [admin@hlrpoa.com](mailto:admin@hlrpoa.com)



Draft Minutes for January 9, 2014  
Meeting of HLR BOD  
At the Crouch Home  
Elfrida, AZ  
7:00 pm to 9:00 pm

- **Call to Order: President Briner at 7:02**
- **Pledge of Allegiance**

Property owners present include: Charlet and Dennis LePard, Joe Alberti, Mark Shelburne, Margaret Baxter, Doug Crouch, Alisa Cook, Jessamyn Snider.

Board members present: Greg Briner-President, Wolf Holf – Vice President, Phyllis Cavanaugh –Secretary, Adele Crouch – Treasurer, and Joel Levin – Member-At-Large.

#### **Officer's Report**

- **President's Report – none given.**
- **Secretary's Report –**
  - E-mail Correspondence from the board was reviewed.
  - **Approval of minutes from last board meeting (December).** No corrections were recommended.
  - **Approval of Executive Session minutes (December)** This executive session was an e-mail discussion as to whether or not to release a lien on a property since the property was no longer owned by the lien holder. It was agreed to keep the lien in effect by all.

Crouch moved to accept the minutes as written, Levin seconded, all approved.

- **Treasurer's Report – see website**

Check in the amount of \$28,340.05 was send when Cadden closed our reserve account at US Bank. Holt will be opening our new reserve account at Great Western Bank and depositing the check. He will need final minutes from Cavanaugh for the December meeting to get the account open. Cavanaugh has a signed copy of the December minutes to give Holt.

Crouch will send in the retainer fee of \$600 to Carpenter and Hazlewood for unlimited calling for 2014. No vote required since it was agreed at a prior meeting. Crouch requested permission to purchase two rolls of stamps since postage is going up to .49 cents on Jan. 26th, all agreed. We discussed whether we should make arrangements to accept credit card payments for the dues.

Crouch said if we opened a Paypal account, we could accept credit cards with the fee being paid by the property owner. Cook says she could help Crouch set up an account in a way that the Association would not incur any fees. Levin thought they might have a deal for non-profits. Crouch and Cook agreed to get together to open a Paypal account so property owners could use

credit cards to pay dues. They will make sure any fees for this service go to the property owner and not the Association.

It was also noted that the delinquent dues have been reduced by \$6,869.59 in 5 months. The current delinquencies stands at \$1,934.31 on December 31st, down from \$8,803.90 in July.

## **Committee Reports**

- **Nominations and Elections (Levin)**

Levin explained that the Articles of Incorporation ballots were starting to come in. Barbara Brown, of the Nominations Committee, was given a key to the PO Box and is picking up the ballots and placing them in a locked box. Brown left any other mail in the box for Crouch to collect. One problem that occurred is that some people included their ballot in with their dues payment but the ballots were all sealed and none were opened. Crouch sent those to Brown.

There was a discussion about the importance of having the Articles of Incorporation amended and that the major change would be in the language regarding the Bylaws. If the Articles of Incorporation are not amended, then any future board can change the Bylaws without a vote of the property owners. The present board would like to make it impossible to change the Bylaws again without a vote of property owners. This is the way the new Bylaws are written, but a clause in the A of I states otherwise and that clause can override the new Bylaw clause requiring a vote.

Crouch explained that the Nomination Committee will start to call property owners who have not voted and ask them to send in the ballot. She explained that we need 67% of lots to vote on this issue in order to even count the ballots. Then, only a simple majority is needed for the issue to pass.

Levin is also revising the procedures for our board elections, including special elections and balloting procedures. He will have his proposal in place for the next meeting. He said that one question was regarding whether or not we should have an envelope for each lot. He said one person on the committee felt each vote by each lot should be in its own envelope. This would require property owners with multiple lots to sign and send it multiple envelopes. The reason given by this committee member for recommending this procedure was a concern that those that are counting the ballots may be able to figure out who voted based on how many lots came in the same envelope. Crouch did not feel that was necessary and that the envelopes are separated from the ballots while counting. Alberti did not think we should have separate ballots and waste all that time and paper and that it would be a hassle for property owners. Levin also said he added language about electronic means for voting, though that is not an option at this time.

Levin explained that an announcement requesting nominations for election to the board needs to be sent out by the 14<sup>th</sup> of January since there has to be a 60 day notice and the Annual Meeting is set for March 15<sup>th</sup>. Thirteen property owners do not have e-mail and need to be notified by mail. Crouch and Briner's seats are open. Cavanaugh agreed to send out the notice by the 14<sup>th</sup> from the board e-mail and Crouch agreed to send out the letters to the property owners without an e-mail address. Levin will compose the notice and send it to the board.

Cook reminded the board that according to the current Bylaws, the BOD should send a copy to each property owner by mail. Crouch thought we should ask the lawyer what needs to be sent out by mail and what can be sent by e-mail.

- **ARC (Alberti)**
  - **ARR for LePard, Lot 98**

The ARC reviewed the ARR for a new home and approved it as submitted. There was no plot site submitted but Alberti says that we have the distances noted and that they complied with the set-back requirements. Crouch moved to accept the ARR as submitted, Levin seconded. All agreed.

- **Windmill (Brown)**

Brown was not in attendance but sent a letter regarding the board's intention to fence in the trough. Briner read the letter for all, (see website). Brown asserted in the letter that the board was bowing to pressure from certain property owners to fence in the trough. She felt it was not necessary to fence it in as there was not a problem with cattle congregating at the trough and that a fence would detract from the appearance at the windmill.

Cavanaugh stated that it was not from pressure by a property owner but a recommendation from the board's lawyer. Briner concurred that no property owner had requested the fencing. The lawyer had advised the board to fence the trough and to put up signage about cattle to protect the Association from any property owner who may be harmed by cattle that had wandered onto HLR property from the adjacent state-lease land. He suggested that having an open trough may be construed by some as enticing the cattle onto HLR common space and that we must make attempts to keep the common space safe by alerting property owners to the possibility of cattle and by discouraging cattle from congregating at the well.

- **Road Committee - Shelburne**

Shelburne re-visited the wash at Stagecoach and he recommended pulling out the tree and opening up the wash instead of putting in the wire basket on the north side of the wash as was agreed to at the last meeting. He thought it might be enough and would be less expensive. He said we could do additional work if this was not sufficient. All board members agreed to this new course of action. Alberti asked if this is a 2013 allocation and Crouch said it was.

Briner stated that he received a final road contract from Frank Flanders for 2014 and he would like to sign it. All agreed for Briner to sign the contract and send it to Frank Flanders. Briner will also scan a copy to send to the board as well. Briner thanked Shelburne for the good work he is doing.

## **Old Business**

- Review of revised draft of By-laws (Cook)

Cook explained that, based on feedback from the board at the last meeting, she had made additional changes to the language in the bylaws and those were highlighted in yellow. Where there had not been a consensus at the last meeting was the issue of how to set up term limits. All had agreed that some term limits were needed but disagreed to the specifics. All had generally agreed to some restrictions after a board member had served two terms as long as there was an option to run if a certain percentage of the membership signed a petition allowing the exception. So two questions remained:

How long should a board member sit out after serving 6 years, or if an additional term would exceed 6 years?

What percent of lots would be required on a petition for an exception to this rule?

Briner asked about the corrections to the language in the Bylaws other than the term limit issue and all agreed with the clarifications that had been made.

Briner stated his main concern with term limits was that not enough people would step up to run for the board. He felt we had a small population of people willing to get involved and did not want to place too many restrictions on allowing prior board members from running. Cavanaugh felt that term limits would allow for fresh ideas to come forward and that the same people would not become entrenched in the board. Conversation continued among the board members with a consensus developing that six years on the board be followed by a three year break with additional terms being three years on and three years off. Cavanaugh held that there should be a six year break after the first two terms.

Crouch moved to have not more than an initial six years be followed by three years on and three years off, Levin seconded. All in favor except Cavanaugh.

Regarding the second issue, as an exception to the term limits, Crouch moved in order for a board member to run, a petition signed by 35% of lots was needed. Cavanaugh wanted to see the percent at 45%. Holt seconded Crouch's motion and all approved.

Cavanaugh moved to accept the bylaws as submitted with the changes discussed, Crouch seconded, all approved.

The new Bylaws were approved to take effect February 1<sup>st</sup>, 2014. Cook agreed to make the changes and present the Bylaws to Briner and Cavanaugh for signature. Cavanaugh agreed to bring the Bylaws to the county to be recorded.

- **Update on Articles of Incorporation**

Crouch said that a property owner had written with concerns that the Articles of Incorporation needs to have a physical address listed for the statutory agent and not a PO Box as we have on our revision. Crouch researched this and found that the Arizona Corporation Committee requires a physical address for the statutory agent but that is achieved by filling out a form for the ACC. Crouch believes this will satisfy the requirement for a physical address.

Briner will ask the lawyer if we can add the physical address to the Articles without another vote of the members.

Crouch said that Brown has a list of the property owners and is checking them off as the ballots come in. On January 16<sup>th</sup>, the committee will start making calls to those property owners who have not sent in ballots. The ballots are being kept in a locked box and will be opened at the Feb Meeting if we have sufficient votes.

At this point in the meeting, we had only 5 minutes before our ending time at 9:00 and we agreed to table the old business and jump to the file protocol, (see website), which needed to be addressed prior to the next meeting. Levin thought it should be either e-mail or letter for a member to request access to files. Levin moved that the new file protocol be adopted with that amendment. Briner seconded. All approved.

**Saturday, February 8th is set for the next meeting at 10:00 at the Crouch house.**

**Adjournment at 9:02 pm. Crouch moved, Briner seconded, all approved.**