



HIGH LONESOME RANCH ESTATES PROPERTY OWNERS ASSOCIATION

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Board of Directors Meeting, 5 December, 2015 Minutes

The regular meeting of the Board of Directors was called to order at 11:20 am at the Longhorn Steakhouse. Attending were board members Phyllis Cavanaugh, Joel Levin and Margaret Baxter, along with Association members Jessamyn Luna, Dave Kelley, Norm Thorsen and Alisa Cook.

There were no president's report, secretary's report or treasurer's report, the latter due to the secretary having taken on the treasurer's job following the resignation of the previous treasurer on October 27. For the same reason it was announced that invoices for the January-June association dues would be issued later than normal.

Ms. Cavanaugh presented the Road Committee report (see page 3 of these minutes).

The Architectural Review Committee has recommended approval of an ARR for a garage on lot 111-A. It was unanimously approved on a motion by Mr. Levin and seconded by Ms. Baxter.

It was decided that the Nominations and Elections Committee would be co-chaired by Ms. Cavanaugh and Ms. Baxter.

On behalf of the Windmill Committee Ms. Cavanaugh reported that a leak had developed in the plastic pipe running from the bottom of the trough to the float assembly causing the trough to overflow. A temporary fix using a plastic bag was installed by Ms. Cook, but a permanent repair is required. Mr. Brown has suggested that in addition a shutoff valve between the tank and the trough should be installed. Estimates for these repairs are pending.

Next on the agenda was the budget for 2016. There was discussion of surplus funds and what should be held in reserve, and what next year's dues should be. Ms. Cavanaugh moved to modify the budget to allow for potential windmill repairs, Ms. Baxter seconded, and the amended budget was adopted unanimously. It is attached to these minutes. This document will be re-issued showing corrected actuals for 2015 when the end-of-year bookkeeping is completed in January.

In new business the trough repair was listed on the agenda. It had been discussed already under the WC report above.

Next on the agenda was the Board of Directors membership. On October 27 Ms. Adele Crouch resigned from the Board, and on October 29 Ms. Louise Novak also resigned, leaving three members on the Board. The Association Bylaws specifically allow the Board to carry on with three members rather than five, and Ms. Cavanaugh wished to solicit the opinion of Association members about whether to appoint two new (interim) members, or to carry on until the March annual meeting and elect replacement members (or to carry on beyond the annual meeting with three members). The general consensus among the Board and the members present was to carry on until March and then elect two members to complete the terms of the resigned members.

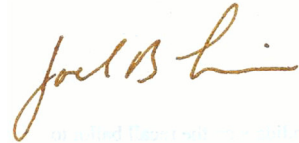
Call to membership:

Jessamyn Snider that was announced that she and Cale Luna had married.

Pros and cons of on-line meetings were discussed: sufficient information for Association and Board members on such issues as property taxes needs to be provided in advance; often, especially if there might be a lot of back-and-forth interaction, such issues are better reserved for in-person meetings.

At 12:31 the meeting was adjourned on a motion by Mr. Levin and second by Ms. Cavanaugh.

Respectfully submitted,

A handwritten signature in brown ink that reads "Joel B. Levin". The signature is written in a cursive style. Below the signature, there is a faint, light blue watermark that says "Digitized Document".

Joel B Levin, secretary

HLRPOA Road Committee Report
12 November, 2015
Phyllis Cavanaugh

Members: Phyllis Cavanaugh (liasion), Keith Sutherland, George Barton

Phyllis Cavanaugh and Keith Sutherland were present, representing a quorum; Joe Alberti was also present.

Keith spent time catching me up on what has gone on with the road committee as I was the new liaison. We discussed the current grading that was in process. Keith explained that he was very happy with the way the new grading was going. The grader was adding dirt to the road as he graded, rather than just pushing it off the road. This takes more time but improves the roads and prevents them from degrading. Keith felt that the prior gradings had been slowly worsening the roads and that it would take time, with proper grading, for the roads to improve.

He also explained that the barriers installed on High Lonesome Road seemed to be performing as expected. They were slowing the run off of water and allowing for sand to deposit on the roads. This will, again, take time to fill in the washes with sand and slowly level off some of the washes.

Keith has been personally building two cages for washes on Foothills Trail. These cages are going to be filled with rock and positioned on the downhill side of a wash. They will slow the speed of the water allowing for sand to deposit on the road instead of being run off. Over time, this will allow the wash to fill in. He is building the cages himself so he can determine the man-hours and the cost of materials that will be needed to build additional cages for washes on Reata Pass, which will be the focus of our future efforts. Keith is obtaining estimates from a contractor who is interested in building the cages and placing them on major problem washes on Reata Pass.

2016 Budget (actuals as of 10/22/15)

1/23/16

	2013 Actual	2014 Actual	2015 Budget	2015 Actual	2016 Budget
INCOME			135 Lots		
Property Owner Annual Assess	\$25,167.73	\$25,548.64	\$22,950.00	\$21,901.02	\$21,600.00
Prepaid	\$236.79	\$6,090.00	\$118.00	\$124.89	\$125.00
Estimated delinquencies	-\$2,143.00	-\$1,792.95	-\$1,000.00	-\$2,499.86	-\$3,500.00
Unused funds from previous years	\$9,000.00		\$5,578.00		\$1,919.05
Road Repair funds forward		\$10,000.00		\$0.00	\$7,810.00
Total Estimated Income	\$32,261.52	\$39,845.69	\$27,646.00	\$19,526.05	\$27,954.05
FIXED EXPENSES					
P O Box rent		\$48.00	\$50.00	\$50.00	\$50.00
Income Tax	\$50.00	\$50.00	\$50.00	\$50.00	\$50.00
Property Tax	\$20.76	\$28.00	\$28.00	\$31.00	\$39.00
Insurance	\$2,287.00	\$2,287.00	\$2,484.00	\$2,443.00	\$2,575.00
AZ Copr Com Report		\$10.00	\$10.00	\$10.00	\$10.00
Total Fixed Expenses	\$2,357.76	\$2,423.00	\$2,622.00	\$2,584.00	\$2,724.00
ADMINISTRATIVE					
Cadden (all fees)	\$5,286.59				
Office Supplies/Postage	\$341.48	\$328.00	\$300.00	\$319.66	\$350.00
Legal fees	\$3,300.00	\$694.50	\$1,000.00	\$645.00	\$700.00
Accounting Review/Tax Prep.	\$270.00	\$250.00	\$250.00	\$300.00	\$300.00
Misc. Supplies					
Meeting Expense	\$175.00	\$50.00	\$150.00	\$50.00	\$50.00
Website	\$95.88	\$95.88	\$96.00	\$95.88	\$96.00
Total Administrative Expenses	\$9,468.95	\$1,418.38	\$1,796.00	\$1,410.54	\$1,496.00
OPERATING EXPENSES					
Sign Maintenance/purchase	\$161.78	\$228.47	\$50.00		\$50.00
Windmill Maintenance/Repair	\$340.23		\$300.00	\$433.00	\$450.00
Road Maintenance	\$8,140.00	\$17,020.00	\$12,300.00	\$10,600.00	\$13,000.00
Road Repair	\$293.00	\$7,087.54	\$5,000.00	\$2,579.00	\$7,810.00
Total Operating Expenses	\$8,935.01	\$24,336.01	\$17,650.00	\$13,612.00	\$21,310.00
TOTAL EXPENSES	\$20,761.72	\$28,177.39	\$22,068.00	\$17,606.54	\$25,530.00
RESERVES		\$28,346.73		\$28,370.03	\$28,370.03
Road Repair Fund	\$10,000.00	\$12,031.88	\$5,578.00	\$0.00	
TOTAL ROAD FUND & RESERVES	\$10,000.00	\$40,378.61	\$5,578.00	\$28,370.03	\$28,370.00
TOTAL INCOME	\$25,167.73	\$39,845.69	\$27,646.00	\$19,526.05	\$27,954.05
TOTAL EXPENSE	\$20,761.72	\$28,177.39	\$22,068.00	\$10,607.00	\$25,530.00
Rollover/Shortfall	\$4,406.01	\$11,668.30	\$5,578.00	\$8,919.05	\$2,424.05

Based on \$160.00 dues