



HIGH LONESOME RANCH ESTATES PROPERTY OWNERS ASSOCIATION

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Board of Directors Meeting
24 August, 2020
Minutes

The meeting was called to order at 12:30 pm behind the Gleeson jail. Present were Board Members Joe Alberti, Margaret Shelburne, Randy Kling, Judy Rossbach, and Joel Levin. Also in attendance were Association Members Chuck and Barbara Crouch, Bill and Barbara Brown, Mark Shelburne, Ryan Else, Karen and Nate Tribby, Keith Stanford, Tony Rossbach, Greg Briner, Bill McFarland, Claire Peachey, Wade Barfield, Todd and Amanda Miller, Tommie Smith, Beckie Hilgart, and Storm.

The President and Secretary had no formal reports.

The treasurer submitted a report which is attached to these minutes. Its acceptance was moved by Mr. Alberti, seconded by Ms. Rossbach, and agreed to unanimously.

Architecture Review Committee: The chairman has received an ARR from Mr. Shelburne, but it is too soon to have been reviewed by the Committee.

Chairman Alberti reported recommendation in favor of two ARRs submitted by the Bohnsacks for exterior painting and a new shelter for horses on Lot 22. Mr. Alberti moved that the Board approve these ARRs, Ms. Rossbach seconded the motion and it was agreed to unanimously.

Road Committee: A number of problems with the roads were discussed, including Cowboy Lane, Last Trail, and some of the repairs done in the past with cages that have failed. It was noted that the budget for repairs had been substantially cut in the previous year to help keep down the rise in the assessment.

The issue of grading arose. Ideally every road with residences would be graded at least twice per year; but as grading is by far the largest expense of the Association, some roads are only seen once, if they are passable and very little used. Chairman Alberti pointed out that the roads are now in better condition than when the developer turned the Ranch over to the Association. The CCRs have nothing to say about the manner in which the Association maintains the roads.

Discussion of speeding was deferred to a later agenda item. It was pointed out that the owner of the Gleeson Jail has marked his portion of High Lonesome Road at 5 MPH. As he owns that right-of-way, it behooves us to show him the courtesy of obeying that speed limit so he will continue to allow us access to that entrance of the Ranch.

There are places where the brush on the sides of the roads interfere with grading. There is no plan or procedure in place to deal with this; property owners are welcome to trim the roadsides along their own property lines, and teams of volunteers occasionally do some trimming in problem areas.

Windmill Committee: The windmill is shut down till a repair can be made costing \$311.50 (versus the \$200 budgeted). There was substantial discussion about the merits of having the windmill in the first place, with its tanks and trough. It is not mentioned in the CCRs, but as it is a fixed facility on common land the, Board is responsible for it. A longtime property owner recalled that the windmill has always been an issue before the Board. Some property owners expressed the belief that as the windmill is part of the common property, the water must be made available to all property owners at all times without restriction, and that the Board does not have jurisdiction to limit access.

Discussion of replacing the mechanism of the windmill entirely by electric pump driven by solar power, and evaluating the capacity of the well to provide water to residents was followed by mention of vandalism that had been experienced in the recent past, and for which Mr. Alberti has a police report. After some argument these matters were tabled for consideration at a future time. For the issue currently under discussion, Mr. Levin moved that \$311.50 be spent on the repair to the pump and Mr. Alberti seconded the motion. The motion passed 3-2: Alberti, Levin, and Kling in favor; Baxter and Rossbach against.

Mr. Alberti noted for the benefit of the members that the Board will not be policing the use of the well. People will continue to take water as they need it and are expected to exercise appropriate consideration for other Association members.

Mr. Alberti passed out copies of the Association Code of Conduct, which is available on the Governing Documents page of the web site.

ARR Requirement for new construction: a property owner observed some construction on the lot 11 and inquired of ARC member Mr. Barfield whether this was work for which there was an outstanding ARR. Mr. Barfield was unable to find any recent or pending ARRs related to this particular work, and so brought the issue up to the Board. This led to a discussion of whether there were other projects on the Ranch without approved ARRs, and who if anyone was responsible for taking action. Some years in the past, some property owners had been subjected to extreme scrutiny of the work on their land, even with an approved ARR. Therefore, if someone observes some work going on at present that turns out not to be associated with an ARR, should it not be brought to the attention of the Board? The work in question was to enclose an open porch, not resulting in enlargement of the building. The property owner performing this work did not consider this to be a modification requiring an ARR, otherwise he would have submitted one. Mr. Alberti agreed with this interpretation, while Mr. Barfield disagreed; however the issue here is compliance with the procedure of submitting an ARR.

Mr. Alberti's position, speaking for himself as a member of the Board, is that the Board does not go looking for violations of the CCRs or of the ARR process, unless something arises that will affect property owners' safety, enjoyment of their property, or property value. If some violation is brought to the Board's attention, then it must be investigated. Otherwise the Board does not look for problems. Property owners are also expected to respect the privacy of other property owners and not be searching for violations.

Common Areas and Safety: Mr. Kling brought up the question of our liability for problems in the common areas, especially where there are safety issues on the roads; a recent accident and speeding. We are encouraged to call the sheriff's office if there are people hot-rodding on the roads. Our insurance coverage is protected by the signage we have and by the legal meaning of

“primitive road” under state law, which assigns the driver responsibility for taking proper care when driving on these roads.

Postal cost burden: Mr. Kling brought up cost of the various methods of communicating with Association members. There are new requirements in HOA laws for physically mailing certain items on paper. His report on the costs associated with mailing various items is attached. Mr. Alberti moved to accept this report, Ms. Baxter seconded, and the motion passed unanimously.

Property owner concerns: Ms. Baxter expressed her dismay with the increasing intrusion into private matters as used to occur in years past; some property owners bringing up apparent CCR violations by an owner in a way to interfere with that owner’s enjoyment of her own property. Again the question of whether an exterior modification to a building which did not change the square footage covered by the building or its profile needed an ARR or whether another property owner had the right to question it if it had no effect on him or his property. Mr. McFarland pointed out that if the Association fails to enforce CCRs it can lose the right to enforce them in some future occasion, and that failure to defend that right could eliminate the ability to pursue later violations, especially in court. Some wanted to distinguish certain types of minor violations which, if not formally brought to the Board’s attention could be ignored, while major violations, like affixing a mobile home or storing construction equipment, would still be firmly dealt with.

Reimbursement request: Mr. Kling requested reimbursement for mailing expenses incurred in collecting assessments. Mr. Levin moved that Mr. Kling be reimbursed, Mr. Alberti seconded, and the motion passed unanimously.

The meeting was adjourned at approximately 2:50 pm.

Respectfully submitted,



Joel B Levin, Secretary



ASSETS

Vantage West C U	As Of Date 24-Aug-20	Checking \$30,742.66	Savings \$20,037.64	Other \$0.00	Total \$50,780.30
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INCOME

LEVIED AMOUNT	Assessment (\$24,480.00)	Document Fee (\$375.00)	Mailing Fee (\$76.45)	Interest \$0.00	Total (\$24,931.45)
COLLECTED AMOUNT	\$22,760.05	\$375.00	\$20.85	\$25.76	\$23,181.66
<i>January</i>	\$2,160.00			\$4.77	\$2,164.77
<i>February</i>	\$7,280.00			\$4.59	\$7,284.59
<i>March</i>	\$4,770.00	\$75.00		\$5.16	\$4,850.16
<i>April</i>	\$3,960.00	\$75.00		\$4.37	\$4,039.37
<i>May</i>	\$720.00			\$2.85	\$722.85
<i>June</i>	\$700.00	\$150.00		\$1.93	\$851.93
<i>July</i>	\$2,320.00	\$75.00		\$2.09	\$2,397.09
<i>August</i>	\$850.05		\$20.85		\$870.90
COLLECTED PERCENT	93.0%	100.0%	27.3%	na	93.0%
BALANCE DUE	(\$1,719.95)	\$0.00	(\$55.60)	\$25.76	(\$1,749.79)

OUTFLOW

Totals:	Budgeted	Invoiced	Paid	Unpaid Invoices	Unspent Budget
Totals:	\$23,750.00	\$4,832.36	\$4,580.28	\$252.08	\$19,169.72
Administrative	\$410.00	\$1,007.36	\$755.28	\$252.08	(\$345.28)
<i>Mailings</i>		\$828.48	\$696.28	\$132.20	(\$696.28)
<i>Meetings</i>	\$50.00				\$50.00
<i>PO Box</i>	\$60.00	\$56.00	\$56.00		\$4.00
<i>Supplies</i>	\$200.00				\$200.00
<i>UNCATEGORIZED</i>		\$3.00	\$3.00		(\$3.00)
<i>Website</i>	\$100.00	\$119.88		\$119.88	\$100.00
Common Areas	\$20,200.00	\$3,175.00	\$3,175.00	\$0.00	\$17,025.00
<i>Road Grading</i>	\$19,000.00	\$3,175.00	\$3,175.00		\$15,825.00
<i>Road Repair</i>	\$1,000.00				\$1,000.00
<i>Windmill</i>	\$200.00				\$200.00
Services	\$3,000.00	\$600.00	\$600.00	\$0.00	\$2,400.00
<i>Insurance</i>	\$2,000.00				\$2,000.00
<i>Legal Fees</i>	\$1,000.00	\$600.00	\$600.00		\$400.00
Taxes	\$140.00	\$50.00	\$50.00	\$0.00	\$90.00
<i>AZ Corp Commission</i>	\$10.00				\$10.00
<i>County Taxes</i>	\$30.00				\$30.00
<i>State Taxes</i>		\$50.00	\$50.00		(\$50.00)
<i>Tax Prep</i>	\$100.00				\$100.00
TBD	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<i>uncategorized</i>					

SCHEDULE

Calendar Entry	Date(s)
<u>Annual Assessment</u> 2nd-Half Payment Delinquent	29 Aug 2020
<u>Treasurer Report</u> Publish Report	1 - 7 Sep 2020
<u>Annual Assessment</u> Mail Out 2nd-Half Delinquent Notices	8 - 10 Sep 2020
<u>Budget</u> Solicit Committee Budget Requests	28 Sep - 2 Oct 2020
<u>Treasurer Report</u> Publish Report	1 - 7 Oct 2020
<u>Budget</u> Solicit Individual Budget Initiatives	5 - 9 Oct 2020
<u>Budget</u> Submit Budget Initiatives (All Owners action)	5 - 25 Oct 2020
<u>Budget</u> Submit Budget Requests (Committees action)	28 Sep - 25 Oct 2020
<u>Taxes</u> Cochise County Property Taxes	1 - 29 Oct 2020
<u>Budget</u> Prepare Requests/Initiatives	26 - 30 Oct 2020
<u>Annual Assessment</u> Mail Out 2nd-Half Last Notices	3 - 5 Nov 2020
<u>Treasurer Report</u> Publish Report	1 - 6 Nov 2020
<u>Budget</u> Budget Deliberations (Board action)	2 - 27 Nov 2020
<u>Annual Assessment</u> Assessment Deliberation (Board action)	2 - 27 Nov 2020
<u>Budget</u> Approve Budget (Board action)	16 Nov - 1 Dec 2020

Annual Assessment Assessment Approval (Board action)	16 Nov - 1 Dec 2020
Treasurer Report Publish Report	1 - 7 Dec 2020
Budget Publish Budget	7 - 11 Dec 2020

COMMENTS

Pending expenditures: Insurance, road maintenance, and property-tax expenses are expected within the next 90 days.

End-of-Year Status: We may have funds remaining at the end of CY2020 in excess of our immediate CY2021 cash requirements (ahead of income generated by the 2021 Annual Assessment). The board will determine how to apply any manifested excess via future cost deferral, future assessment increase deferrals, increase in reserve, perpetuate checking account excess, or some combination. Views/comments by all members are welcome.



High Lonesome Ranch Property Owners Association Communication Media

	<u>Web</u>	<u>Email</u>	<u>US Mail</u>	<u>Certified</u>	<u>Individual Mailing Cost</u>	<u>Combine Mailing - 1 Cost</u>	<u>Combine Mailing - 2 Cost</u>
Governance							
Governing Documents (amendments, revisions, etc)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$0.00	\$0.00	\$0.00
Solicitations for Board Candidates	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$0.00	\$0.00	\$0.00
Board Election Ballots	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	\$87.04	\$87.04	\$87.04
Association Ballots	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	\$87.04	\$87.04	\$87.04
Owner Surveys for Board Voting	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$0.00	\$0.00	\$0.00
Owners							
Solicitations for Volunteers	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$0.00	\$0.00	\$0.00
Solicitations for Committee Members	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$0.00	\$0.00	\$0.00
Owners							
Contact Information Verification Forms	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	\$71.04	\$9.99	\$9.99
Contact Information Change Confirmation	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$0.00	\$0.00	\$0.00
Activities							
Architectural Review Announcements	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$0.00	\$0.00	\$0.00
Road Grading Schedule Announcements	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$0.00	\$0.00	\$0.00
Public Social Events	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$0.00	\$0.00	\$0.00
Meetings							
Meeting Announcements	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$0.00	\$0.00	\$0.00
Agenda Item Solicitations	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$0.00	\$0.00	\$0.00
Agenda Announcements	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$0.00	\$0.00	\$0.00
Meeting Minutes	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$0.00	\$0.00	\$0.00
Budget							
Budget Initiative/Input Solicitations	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$0.00	\$0.00	\$0.00
Published Budget	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$0.00	\$0.00	\$0.00
Assessments							
Assessment Schedule	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$0.00	\$0.00	\$0.00
Assessment Notifications	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	\$71.04	\$71.04	\$9.99
Assessment Payment Receipts	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$0.00	\$0.00	\$0.00
Assessment Reminders	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$0.00	\$0.00	\$0.00
Assessment Overdue Notifications	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	\$14.08	\$14.08	\$14.08
Assessment Delinquency Notifications	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	\$7.04	\$7.04	\$7.04
Assessment Last Notices	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	\$35.20	\$35.20	\$35.20
Reports							
Monthly Treasurer Reports	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$0.00	\$0.00	\$0.00
Annual Treasurer Report	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$0.00	\$0.00	\$0.00
TOTAL:					\$372.48	\$311.43	\$250.38

Cost estimates are based upon projected number of communications and the following:

1. For assessments, approximately 33% will make 2 payments, 20% will be overdue, 10% will be delinquent, and 5% will get last notice
2. Costs for posting on the website or email are paid separately (annual cost)
3. First Class postage is \$0.64 per sheet (\$0.55 for postage, \$0.013 per sheet of paper, \$0.024 per printed sheet, and \$.053 per envelope).
4. Certified Return-Receipt mail is \$7.04 per sheet (first-class mail cost (\$0.64 plus \$6.40 postal service).

Contact information on record limits delivery in some communication media (as of 15 August 2020)

1. We have an email address for 48% of property owners
2. We have a phone number for 43% of property owners