



**High Lonesome Ranch Estates
Property Owners Association**

Board Meeting Minutes

1 pm Nov 1st (Oct 25) 2021

Schieffelin Hall, Tombstone Az.

Opening

Call to Order by: Mr. Barfield President with board members Mr. McFarland VP called in, Mr. Kling Treasurer, Mrs. Crouch Secretary - Mr. Smith Member at Large called in

HLR Property Owners in attendance included Karen and Nate Tribby, Chuck Crouch, Margret Shelburne, Tony & Judy Rossbach, Eileen A. meeting convened at 1:00 pm

Pledge of Allegiance: Led by Robert Wade Barfield.

Adopt the Agenda: Mr. Barfield motioned to adopt the agenda Mrs. Crouch 2nd No opposed

Opening Remarks:

Mr. Barfield Submitted a updated version of the President report with new information that was presented after the first report was posted to the website that will be added to the minutes also. Officers' reports are a report from the officers from the last meeting not for an opinion piece.



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Board Officers Reports

1 pm Nov 1st (Oct 25) 2021

Schieffelin Hall, Tombstone Az.

Mr. McFarland VP:

The question asked often shapes the response. In this case, the question is this:

Given that the HLRPOA governing documents are structured to constrain the board's authority and to protect the property owners from an empowered and over-reaching board, and,

While the ARS provides authorities for functions and processes that HOA boards are allowed to do by state law, and,

Given that some of the ARS-allowed functions are included in the governing documents while others are not,

Can the Board assume that it has all the authorities provided for in the ARS regardless of the CC&Rs?

It is clear that the nature of the HLRPOA Articles and the CC&Rs is to constrain the Board. Based on that, the attorney's off-the-cuff and unresearched response cannot be construed to be anything more than an uninformed and un-researched opinion. He is clear that no attorney-client relationship exists between him and the POA. He is also clear that he does not maintain client files as he has not been retained to represent the POA. In essence, his is just another opinion among many.

For the record, I am opposed to any and all motions, resolutions, or initiatives of any kind that are not explicitly found in the POA's Articles and CC&Rs. The ARS should be regularly reviewed to ensure that nothing allowed in the governing documents is forbidden or prevented by the ARS, not the other way around. The President's proposed perspective is that if the drafters did not include a function or authority, and such exists in the ARS, the Board has that authority. This is the reverse of the situation. If an authority was not included in the CC&Rs, we should not assume that was an oversight, given that the CC&Rs explicitly provide the ones that the drafter's intended to have included.

I suspect a property owner who is assessed a late fee not authorized by the CC&Rs would prevail in a civil suit given that no such authority exists. Based on that, I recommend that the Board constrain itself to what the governing documents provide.

The Board should be self-limiting and focus solely on its remaining focus. It has lost control of most of its other functions such as architectural review and seeks now to selectively enforce those. Touching on that issue, while the CC&Rs provide a waiver authority and provide that each waiver does not establish a precedent, in a civil suit, it's unlikely that a jury of our peers would sustain an enforcement instance given the numerous waivers or failures to act. At a minimum, any enforcement of a provision would demand that all existing violations or exceptions of that same provision be brought into compliance as part of enforcement.

The only reasonable position would be to force all structures now existing to be revised to conform with requirements. The same is true of this case of late fees not authorized by the CC&Rs. In my opinion, a civil suit jury of our peers would have little trouble rejecting these fees.

Mrs. Crouch Secretary

The amended Article 7.3 C of bylaws (insurance requirements) Which removes the requirement to obtain commercial hazard (property) insurance and allows the association the flexibility to choose to self-insure against property damage as for at least the last ten years. Is completed and was forward to all board members for review and correct any spelling or punctuation errors. With the signatures of the President and Secretary it will get filed with the Register and posted to the HLRPOA web site.

Mr. Kling Treasurer: submitted an attached report and did not have anything else to add.



Approval of the August Minutes: No objections

Approval of the September Minutes: No objections

GDC – see attached report

NEC – gave a short report for the Oct 29th meeting The NEC meeting on 29 Oct at 3pm to prepare for the March 2022 Annual Membership meeting. The intent of the meeting is to: review the nomination letter for the March 2022 election which will also formally announce the March 2022 Membership meeting and encourage folks to run for the board. set the NEC timeline for the March election (per our procedures posted on the HLR website) discuss potential annual meeting agendas. discuss potential candidates to encourage to run for election. set our next meeting date. For Dec 8th Our intent is to present the NEC timeline and proposed annual membership meeting agenda to the board for information/approval at the Nov 2021 BOD meeting.

Windmill – None

Road Committee – see attached report

Committee appointment: Mr. Smith committee Liaison for the Windmill Committee. Motion to accept committee member Pat Green resignation Mr. Kling 2nd no objections

Architectural Review Requests – ARC Liaison Mr. Barfield

Lot 23 – Crouch: ARR for a screened enclosure of the existing porch, addition of a paved porch, and fencing of the existing courtyard. The committee's recommendation for approval is submitted and past. **No objections**

Lot 95 – Novak: ARR for placement of an entry gate and associated fencing. The committee's recommendation for approval is submitted and past. **No objections**

PayPal “convenience fee” Carried by Property Owner – Treasurer

Tabled with new information from VP Mr. McFarland that we can not pass this fee on to the PO. With PO input that we can have a Pay Pal account with out any kind of charges to the PO or to the board.

Reduce windmill committee to a single member. – Secretary

Was table because of the conflict of the proper way to handle the maintenance The Secretary pointed out she has the approval from all Windmill committee. Mr. Barfield did not want to handle this before we received the resignation of the Chair and committee members.

Revisit recently approved motion Attorney Subscription Service Renewal – Member @ Large

Mr. McFarland 2nd Discussion was revolved around the dropping of the lawyer container fees from our current law firm. Mr. Smith presented we can obtain a legal consultant with no expense. It was brought up to vote again Regarding the motion by the Member at Large to cancel our contract with the attorney, Mr. Barfield clearly reflect that he strongly opposed cancelling our contract with the attorney until after such time as it was clearly demonstrated that an alternative source of quality legal advice and counsel was available. Mr. Barfield continued to press the Secretary several times to re-think her yes vote. The motion to drop the Attorney subscription Service Passed with Mr. Smith, Mr. McFarland and Mrs. Crouch yes. Mr. Barfield and Mr. Kling objected



Call to Membership remarks: concerns, observations, etc., and issues needing the board's attention.

Eileen A. mention her concern again "the Board should not allow feedback to be posted on the HLR website that is not signed by a property owner. Anonymous comments should not be posted if they have something to say they need to come to the meeting and speak up.

Board member Mrs. Crouch Secretary, mention when she receives a request from a PO please don't post their name to the website she gives them the respect and does not post them. Mrs. Crouch also said she will not break that trust.

Review of Meeting's Tasks: Presented by Mr. McFarland to review tasks to ensure none were missed or recorded incorrectly and reinforce the expectations of specific people or groups. No corrections or additions offered.

Review of Meeting's Motions: Presented by Mrs. Crouch to review board resolutions to ensure none were missed or recorded incorrectly and provide a last-chance opportunity to clarify if needed.

Motions for August and September Minutes **passed**

Motion to accept the resignation of Mr. Pat Green **passed**

Motions for Architectural reviews for Lot 23 and 95 **passed**

Motion to reduce the windmill committee **tabled**

Motion for PayPal carried by Property Owners – **tabled**

Revisit Attorney Subscription Service renewal - **passed**

Announce Future Events: Presented by Mr. Barfield announce of the upcoming board and committee meetings.

- Nov 15, at 1pm at Tombstone, Schieffelin Hall
- Dec 12 at 1pm at Tombstone, Schieffelin Hall
- Jan 19 at 1pm at Tombstone, Schieffelin Hall
- Feb 16 at 1 pm Tombstone, Schieffelin Hall
- March 5,2022 is the preference for our Annual Membership Meeting
Pot luck at 11:30 am Meeting at 1 pm

Closing Comments: Mr. Barfield presented brief comments.

Adjourn: The meeting adjourned at 2:30 PM.

Board Officer Reports & Agenda Attachments: President's report, Treasurer's Report, Road Committee, ARR report, GDC report, Approved Motions, Taskings,

Minutes by, Barbara Crouch Board Secretary for Nov 1st (Oct 25) 2021 – *Barbara Crouch*



**High Lonesome Ranch Estates
Property Owners Association**

Presidents Report Final

1 pm Nov 1st (Oct 25) 2021

Schieffelin Hall, Tombstone, Az.

SUBJECT: President's Activity Report Final– October 2021

On 30 September 2021 I contacted our insurance agent and, on his advice, initiated a claim against Farm Bureau Financial Services (provider of our liability insurance) on behalf of an association member who on 24 September 2021 informed us of vehicle damage reportedly sustained on 12 September 2021 while crossing a rain-eroded section of roadway on the association's common property. We were informed on 8 October 2021 the claim has been denied. The adjuster's letter explained:

“The CCR is a contract between the Property Owners & the Association. Due to the language in this contract, the Association is not liable for maintaining the roads in this community. Unfortunately, Farm Bureau Property & Casualty will be unable to honor your claim for damages.”

At the request of the Treasurer and Vice President, I contacted Jason Smith, the association's attorney, on 8 October 2021 to discuss questions raised regarding the authority of the Board of Directors to establish fees not specifically addressed in the association's governing documents. The specific question asked was “does ARS 33-1803 allow the association to establish 'late fees' for late or non-payment of association assessments even though our governing documents do not mention late fees?” His answer was, “Yes. The statute empowers associations to impose late fees, even if your CC&Rs or other governing documents are silent on the issue.”

That discussion led to the broader question of other areas where our governing documents are silent but which are addressed by state law. Jason's response was:

“This applies also to things like imposing fines for violations of use restrictions or the right to a lien on the property. The legislature has given specific authority to associations to do things even if the association's documents do not speak to the issue. It is on the same plane but the inverse of the legislature denying certain rights or discretionary authorities that may be in your governing documents by enacting statutes that say “no matter what your documents say, you shall not do” this or that.”

Respectfully Submitted,
RW Barfield
President, HLR POA

Treasurer's Report

as of Monday, November 1, 2021

Vantage West C.U.		As of 12-31-20	Change	Savings	Other	Total
		\$20,771.18		\$20,013.33	\$0.00	\$40,784.51
LEVIED AMOUNT COLLECTED AMOUNT		(\$24,480.00)	(\$675.00)	(\$177.01)	\$0.00	(\$25,332.68)
Financial Decisions: None		\$23,685.04	\$0.00	\$1.03	\$1.53	\$24,479.10
January		\$8.10	\$0.00	\$0.00	\$1.62	\$8,176.63
February		\$4.04	\$0.00	\$6.05	\$1.82	\$5,108.72
March		\$4.68	\$0.00	\$0.00	\$2.12	\$4,682.13
April		\$8.10	\$0.00	\$0.00	\$1.12	\$886.35
May		\$0.00	\$0.00	\$0.00	\$1.41	\$1.41
June		\$2.24	\$0.00	\$0.00	\$1.28	\$2,319.43
July		\$2.12	\$0.00	\$6.68	\$1.11	\$2,351.29
August		\$0.00	\$0.00	\$0.00	\$1.12	\$76.43
September		\$0.00	\$0.00	\$0.00	\$1.12	\$76.37
October		\$7.68	\$0.00	\$3.00	\$1.25	\$800.34
November		\$0.00	\$0.00	\$0.00	\$0.00	
December		\$0.00	\$0.00	\$0.00	\$0.00	
COLLECTED PERCENT	96.8%	10.00%	52.9%	na		96.6%
BALANCE DUE	(\$794.00)	\$0.00	(\$73.90)	\$15.30		(\$853.58)
Assessment Status			Lot (Cumulative)	Lot Percentage	(Cumulative)	
Paid in Full			12.0%	94.0%	94.9%	
1st Half Delinquent			4.0%	2.9%	97.8%	
2nd Half Delinquent			2.0%	1.5%	99.3%	
Other			1.0%	0.7%	100.0%	
Totals:	\$27,370.00	\$20,669.70	\$20,669.70	\$0.00	\$6,700.30	
Administrative	\$1,223.00	\$585.00	\$585.00	\$0.00	\$644.65	
County Recorder Fees	\$150.00	\$0.00	\$0.00	\$0.00	\$150.00	
Financial Review	\$100.00	\$100.00	\$100.00	\$0.00	\$0.00	
Mailings	\$550.00	\$270.00	\$270.00	\$0.00	\$270.52	
Meetings	\$200.00	\$200.00	\$200.00	\$0.00	\$200.00	
PO Box	\$800.00	\$640.00	\$640.00	\$0.00	\$16.00	
Website	\$150.00	\$44.00	\$44.00	\$0.00	\$8.13	
Common Areas	\$22,900.00	\$17,359.99	\$17,359.99	\$0.00	\$5,540.01	
Damage Prevention	\$200.00	\$128.00	\$128.00	\$0.00	\$716.00	
Road Grading	\$14,000.00	\$12,950.00	\$12,950.00	\$0.00	\$1,050.00	
Road Repair	\$650.00	\$208.00	\$208.00	\$0.00	\$3,514.52	
Signs	\$150.00	\$40.00	\$40.00	\$0.00	\$9.49	
Windmill	\$250.00	\$0.00	\$0.00	\$0.00	\$250.00	
Services	\$205.00	\$264.00	\$264.00	\$0.00	\$308.50	
Insurance	\$105.00	\$176.00	\$176.00	\$0.00	\$86.00	
Legal Fees	\$110.00	\$87.00	\$87.00	\$0.00	\$222.50	
Taxes	\$200.00	\$28.00	\$28.00	\$0.00	\$207.14	
AZ Corp Commission	\$100.00	\$100.00	\$100.00	\$0.00	\$0.00	
AZ Income Tax	\$500.00	\$500.00	\$500.00	\$0.00	\$0.00	
County Taxes	\$300.00	\$228.00	\$228.00	\$0.00	\$7.14	
Tax Prep	\$200.00	\$0.00	\$0.00	\$0.00	\$200.00	

Treasurer Tasks Update:**1. Tasks Open:**

- a. Present a foreclosure recommendation to the board.
- b. Submit treasurer instructions for review and consolidation.

Actions: Two accounts in collections (turned over to Carpenter-Hazelwood for collections) have changed status.

- a. First account: All debts to HLR POA and collection agency have been paid in full.
- b. Second account: Carpenter-Hazelwood filed a personal money judgment lawsuit.

Future Events: 2022 budget, assessment, and fees will be determined at the 15 November board meeting.

Other: Advance packages for the 2022 budget meeting (November board meeting) are ready.



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Road Committee Report To the HLR Board

1 pm Nov 1st (Oct 25) 2021

Schieffelin Hall, Tombstone, Az.

The full grading of the HLR roads were completed last week (week of 17th)

The invoice was presented to the Treasurer for 72.5 hours of work completed by Dustin's Grading.

Dustin stated that 5 property owners had their driveways graded as well. Each property owner was billed for the work separated from the HLRPOA.

Nate Tribby

Co-Chair Road Committee



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ARR Committee Report To the HLR Board

1 pm Nov 1st (Oct 25) 2021

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SUBJECT: Architectural Review Committee Report – October 2021

Since our last report the committee has received two architectural review requests:

Lot 23 – Crouch: ARR for a screened enclosure of the existing porch, addition of a paved porch, and fencing of the existing courtyard. The committee's recommendation for approval is submitted as an agenda item for the 1 November 2021 meeting of the board of directors.

Lot 95 – Novak: ARR for placement of an entry gate and associated fencing. The committee's recommendation for approval is submitted as an agenda item for the 1 November 2021 meeting of the board of directors.

For the Committee
RW Barfield
Committee Chair

Governing Documents Committee (GDC) Report
For the 1 Nov 2021 HLR Board of Directors Meeting
31 Oct 2021

1. The GDC committee met on 25 Oct to review progress in our compilation of past HLR board motions and to develop a plan for future actions. Members attending included Corinthea P, Claire P and Eileen A. No HLR neighbors attended.

2. No GDC Review Request (GRR) have been submitted to the committee for review

3. The GDC reviewed and compiled a matrix of all past HLR board motions that impact our governing documents. In doing so we found that there were some motions that are not accurately or currently reflected in our Association Rules and Procedures. We will be packaging the matrix for the board and appropriate committees for action.

4. Attached are draft GDC procedures for review and comment. The GDC request the HLR Secretary post these procedures on the GDC page for comment by 1 December 2021. Comments can be sent to admin@hlrpoa.com.

5. The next meeting of the GDC will be 22 November at 11am at Eileen's. Attendees to bring lunch fixings. Contact admin@hlrpoa.com for the location/address. All property owners are welcome to attend. The meeting agenda:

(1) Review motions assigned to GDC passed but not included in our governing documents and make recommendation to include or cancel out.

(2) Consolidate draft Association Rules changes

(3) ID motions which impact other governing documents

(4) ID proposed changes to our ByLaws to bring in sync w/ Articles of Incorporation, CCR and past motions.

(5) ID a timeline for governing documents review

(6) Review/finalize draft GDC procedures.

Submitted by
Corinthea
Corinthea P
GDC Chair



Approved Motions



Board Meeting

Nov 1 (Oct 25),2021

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Revisit recently approved motion Attorney Subscription Service Renewal – Member @ Large

Mr. McFarland 2nd Discussion was revolved around the dropping of the lawyer container fees from our current law firm. Mr. Smith presented we can obtain a legal consultant with no expense. It was brought up to vote again Passed with Mr. Smith, Mr. McFarland and Mrs. Crouch yes. Mr. Barfield and Mr. Kling objected



Taskings

Board Meeting on Nov 1 (Oct 25) 2021



President

To cancel **Attorney Subscription Service.**

