



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

HLR Property Owners in attendance included Karen & Nate Tribby, Judy & Tony Rossbach, Susan Browning, Becky Hilgart, Ethan Wise, Eileen Ahearn, David Vlastic Joel Levin Amanda and Todd Miller, Kelly & Andrea Jardine, Rhonda Buesgens, MaryAnn & Gregg Kenniger

Call in: Corinthea Pangelinan, Margaret Shelburne, Jeff Knox, George & Sam Barton

meeting convened at 1:00 pm

Guest speaker: Jason Smith (lawyer) representing Mr. Barfield

Pledge of Allegiance: Led by Robert Wade Barfield.

Opening comments: Mr. Barfield expect we will go quit long today but we will see, lets try to stay focused and limit our conversation to three-minute time limit that is call for by our Bylaws.

Mr. McFarland reminded Mr. Barfield we need to announce that this meeting is being recorded.

Mr. Barfield said on that the meeting is being recorded by Mr. McFarland laptop.

Board Officers Reports

President

It recently became to Mr. Barfield attention that we have been we held a mistake of interpretation of our governing documents concerning the authority of the board of directors to amend the association Bylaws we long believe that the Articles of Corporation gave the board of directors that authority. Despite the contradictory language in the Bylaws themselves, this interpretation has been past on to one administration to the next over eight years and Mr. Barfield felt was true. At the persistence of one of our property owners Mr. Barfield discussed this situation at length with our attorney. His opinion is that we were mistaken, and the actual situation is that the 2014 Bylaws prevail over the Articles of Corporation and any amendment in the bylaws as proposed by the boards of directors must be approved by the membership before it becomes effective. It is a two-step process proposed to the amendment by the board ratified by the membership.

Mr. McFarland add that he also consulted legal counselling, they stated complete opposite that we have two different interpretation and opinions between legal counsel. Mr. McFarland has not seen a written product of your attorney and is happy to share Mr. McFarland written product from his attorney. Nothing in the corporation of the Bylaws can change the Articles of Corporation.

Vice President

1. Question to Chair on Status of Attorney contract

Mr. Barfield stated, our status the association relationship with our attorney, as you recall on Nov 1 Mr. McFarland, Ms. Crouch and Mr. Smith passed a resolution for calling for the termination of the fifteen-year relationship of Jason Smith, Mr. Barfield contacted the firm their contract was renewed quarterly but we always paid annually. The best way to proceed was to transfer our annual contract into a quarterly and let it run without renewal. The association was reimbursed for the 9-month period that we paid for. Mr. Barfield engaged Mr. Smith personally so that as a director of the association so the association can continue to have ready access to the quality of legal advice through Mr. Barfield from Jason. That is our status with our relationship with Jason Smith

2. Discussion on the resignation of the statutory agent for the Corporation.

Mr. McFarland brought out how this action put the association at risk. He would like the President share with how, why and how the notice was provided to the secretary. With no notice of information was provided to her to protect the association interest. Mr. McFarland is interested in on the profound breach of the Presidents responsibilities.

3. Concerns of an email that was sent to a select few.

Mr. McFarland it was sent to a select few he can not confirm he sent it out but is interested in your response to it. Mr. McFarland invite the President to comment on that in front of everybody.

Mr. McFarland continue with the meeting agenda.

- Revised Bylaws
- Electronic Balloting
- Resolution on how members provide input to the board for topics not on the agenda
- Resolution on Committee Communications Sent to Members
- Resolution Authorizing Insurance Committee to Act on the Association's Behalf
- Resolution Recognizing HLRPOA.org as the Owners Website

Treasurer:

Mr. Kling submitted a written report added that receipts will be sent out for the ones who has emails. Interest charges remain the same as from the first half of last year are to go out this month. The interest charges from the second half of last year will be going out at the end of February. Mr. Kling submitted an agenda item for the President and Secretary for bonding and agent, for February.

Secretary - None

Member @ Large - None

Reports

ARC 3 requests

- Lot 34 for addition of a porch roof, Mr. Smith 2nd floor **passed 4 to 1**
- Lot 124 for a field fence encircling a portion of the main residence. Mr. Smith 2nd **all in favor**
- Lot 82 for development of the property Mr. Barfield 2nd **3 in favor 2 abstained.**

Road Committee None

Windmill Committee None

Insurance Committee submitted a written report

Business Agenda

- Approval of the Dec 13th, 2021, Minutes with corrections Mr. Smith 2nd All in favor
- Approval of the Jan 6th, 2022 Special meeting minutes with corrections Mr. Smith 2nd Passed 3 to 1 no 1 abstained
- Approval of the Jan 14th, 2022 Special meeting minutes Mr. Smith 2nd All in favor
- Appeal the Ethic Statement & Code of Conduct: Mr. Smith 2nd Passed 3 to 2
- Resolution to adopt the new Bylaws Mr. Smith 2nd**

With diverse concerns from the following PO's Karen Tribby, Ethan Wise, Eileen Ahearn, David Vlasic Joel Levin, Andrea Jardine, MaryAnn Kenniger and Jeff Knox. With the changes of the Bylaws how it will affect the POA with no ARR committee, mobile restrictions and adding the board to 9 members. The main issue was not allowing the PO to vote on these issues.

Guess Speaker:

Mr. Jason Smith commented that the board did changes in the pass, he recommended then not to do it with out the vote of PO's they did not take his advice back then and he felt it will not be taken today.

Ms. Pangelinan motion to adopt the revised Bylaws affective immediately Mr. McFarland 2nd passed 3 to 2

Committee membership motions

GDC new members Ms. Crouch 2nd All in favor
Tommie Smith
Becky Hilgart
Judy Rossbach

ARC new members Mr. Crouch 2nd All in favor
Karen Tribby

Mr. McFarland motion to accept the following Finance members Mr. Barfield 2nd All in favor

Billy McFarland, George Barton, Barbara Crouch, Nance Ceccarelli, Lillian Hritz, Eileen Ahearn

Committee Reports

Mr. Smith Member at Large – Windmill None

GDC Chairperson Corinthea Pangelinan

Ms. Pangelinan address a quick moment to let all things GDC has done to offer transparency. GDC held open meetings that were posted on the HLR website and advocated for and held online meetings so that people who could not attend physically would be able to still join. Some of the property owners in attendance included Karen Tribby, Joel Levin and the Millers. The GDC kept the committee open for any property owner to join and did not limit the number of members to the committee even when asked to. Property owners provided feedback and their feedback was weighted on our recommendations to the documents. In addition to this the GDC have tried to put notice on the HLR website including a request that PDF's be posted of comparison documents. The president (Mr. Barfield) blocked these actions.

NEC Chairperson Barbara Crouch

Jan 20th Names submitted and to consolidate nominees, prepare ballots.

- Feb 3rd send out ballots,
- March 2nd final PO Box pick up,

See attached report from the Dec 8th meeting.

Road Committee – None

Motion: Extend time for board business by 30 minutes by Mr. Barfield. Mr. Smith 2nd. **All in favor**

Motion: Extend time for board business by 30 minutes by Mr. Barfield. Mr. McFarland 2nd. **All in favor**

End of Board Business

Adjourn: The meeting adjourned at 3:30 PM.

Board Officer Reports & Agenda Attachments Treasurer's Report, NEC report, GDC report, Insurance committee report, Approved Motions,

Minutes by, Barbara Crouch Board Secretary for January 19th,2022 – *Barbara Crouch*



Treasurer's Report of Wednesday, January 19, 2022

ASSETS	As Of Date	Checking	Savings	Other	Total
Vantage West C U	01-Jan-22	\$19,823.52	\$21,015.05	\$0.00	\$40,838.57

INCOME	Assessment	Disclosure Fee	Late Fees	Bank Interest	Total
LEVIED AMOUNT	(\$24,480.00)	\$0.00	\$0.00	\$0.00	(\$24,480.00)
COLLECTED AMOUNT	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<i>January</i>					
COLLECTED PERCENT	0.0%	#Num!	#Num!	na	0.0%
BALANCE DUE	(\$24,480.00)	\$0.00	\$0.00	\$0.00	(\$24,480.00)
Assessment Status		Lot Count	(Cumulative)	Lot Percentage	(Cumulative)
<i>Paid in Full</i>		4	4	2.9%	2.9%
<i>1st Half Paid</i>		3	7	2.2%	5.1%
<i>1st Half Unpaid</i>		129	136	94.9%	100.0%

OUTFLOW	Budgeted	Invoiced	Paid	Unpaid Invoices	Unspent Budget
Totals:	\$30,686.00	\$0.00	\$0.00	\$0.00	\$30,686.00
Administrative	\$1,480.00	\$0.00	\$0.00	\$0.00	\$1,480.00
<i>Financial Review</i>	\$125.00				\$125.00
<i>Gov Docs Cmte</i>	\$300.00				\$300.00
<i>Mailings</i>	\$50.00				\$50.00
<i>Nom Elect Cmte</i>	\$200.00				\$200.00
<i>PO Box</i>	\$75.00				\$75.00
<i>Recording Fees</i>	\$150.00				\$150.00
<i>Software</i>	\$400.00				\$400.00
<i>Website</i>	\$180.00				\$180.00
Common Areas	\$26,661.00	\$0.00	\$0.00	\$0.00	\$26,661.00
<i>Damage Prevention</i>	\$2,900.00				\$2,900.00
<i>Road Grading</i>	\$11,500.00				\$11,500.00
<i>Road Repair</i>	\$11,200.00				\$11,200.00
<i>Signs</i>	\$711.00				\$711.00
<i>Windmill</i>	\$350.00				\$350.00
Services	\$2,450.00	\$0.00	\$0.00	\$0.00	\$2,450.00
<i>Insurance</i>	\$1,900.00				\$1,900.00
<i>Legal Fees</i>	\$550.00				\$550.00
Taxes	\$95.00	\$0.00	\$0.00	\$0.00	\$95.00
<i>AZ Corp Commission</i>	\$10.00				\$10.00
<i>AZ Income Tax</i>	\$50.00				\$50.00
<i>Cochise County Taxes</i>	\$35.00				\$35.00

SCHEDULE	Calendar Entry (10 days past to 30 days future)	Date(s)
	Treasurer Report Publish Monthly Report	1 - 9 Jan 2022
	Annual Report Draft Annual Report	1 - 15 Jan 2022
	Annual Review Provide Review Documents	1 - 15 Jan 2022
	Annual Assessment Record Liens with County	7 - 17 Jan 2022
	Annual Assessment Mail Out Notices	4 - 29 Jan 2022
	Annual Review Report to the Board (Other action)	2 Jan - 1 Feb 2022

Nominating and Election Committee (NEC)

Dec 28th Meeting

HLR: NEC Report to the Board of Directors for 19 Jan 2022 & Meeting Minutes: 27 Dec 2021

The NEC hosted a meeting on 27 Dec 2021. Attendees: Members included Barbara C, Karen T, Beckie H, and Eileen A. PO attending: Tommie S.

Stuffed nomination letters into envelopes. Beckie H volunteered to put them in the mail on 28 December 2021.

Reviewed and updated NEC timeline for the March meeting:

- December 28, 2021- no later than (NLT) --- mail letter announcing annual membership meeting and soliciting for nominations.

- NLT January 10, 2022 – Email blast to all property owners (by HLR POA Secretary) (changed 3 Jan to 10 Jan)

- NLT (January 20th, 2022 - 45 days to Annual- NLT date for nominees to submit their names

for consideration, start to consolidate nominees names & prepare ballots

- NLT February 3rd, 2022 - 30 days before meeting- send out ballots

- NLT February 18, 2022 – send out reminder email to mail back ballots

- March 2nd, 2022 - 3 days before Annual meeting- final PO box pick up of ballots - March 5th, 2022-- Annual Membership meeting- open ballots

Reviewed and approved email to be sent to PO per the schedule above:

Dear HLR Property Owner,

Recently you received in the mail a nomination letter announcing our upcoming Annual Membership Meeting, 5 March 2022, and asking you to consider running for the HLR board of directors. All property owners in good standing are eligible to run. You need not live on the ranch but be willing to attend board meetings in person or by phone/online. If you are interested in running, please submit your name and a short write up on why you want to serve or introduce yourself or share your vision of the ranch.

Nominations may be submitted by email to admin@hlrpoa.com or mailed to PO Box 215, ATTN: NEC, Elfrida, Az 85610 to arrive no later than 20 January 2022.

If you have any questions, please contact us.

Sincerely,

Signature to be added

Barbara Crouch

Chair NEC and HLR Secretary

Reviewed and approved Voting packet letter and ballot format per our approved July 2021 NEC Mission and Procedures post on HLR website (see Encl 1 below).

. Reviewed and approved agenda for Membership meeting:

- 11:30 – potluck

- No guest speakers but we encourage Committee Chairs to give a no more than 2-minute update on their committees (2021 highlights & member recruitment); and a Ranch Update/2022 budget.

- Discussed potluck: committee members (less Chair) to bring main dishes or hardy salads; E to bring water/coffee; C to bring plates, napkins, and utensils; we “encourage” neighbors will bring a side dish of their choice.

Reviewed and approved NEC Report to the BOD for 19 Jan 2022 Board of Directors meeting.

Next Meeting: 25 January at 3pm. Contact admin@hlrpoa.com for location (Tribby’s). All PO are

welcome. Agenda: stuff envelopes; review draft email, review ballot counting procedures and supplies per our NEC

Procedures approved July 2021; final potluck coordination and Membership meeting schedule; and prepare report to the BOD for Feb BOD meeting. Ballots to be mailed 26 January 2022 by TBD.

Sincerely,

Signature to be added

Karen Tribby

**Governing Documents Committee (GDC) Report
For the January 2022 HLR Board of Directors Meeting
As of 05 January 2022**

1.

The GDC committee met on 16 December, 28 December, 03 January, and 04 January. Members attended included: Corinthea P, Billy M, Eileen A, Claire P, Chuck C, Margaret M, Judy R HLR neighbors attending: Todd M, Amanda M, Karen T, Joel L and an unnamed participant.

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

New committee members. The GDC encourages neighbor/PO participation in accomplishing our duties as outlined in our procedures. Tommie S, Beckie H, and Judy R have requested to become new members to the GDC committee.

Resignation of Claire P, removal of Eileen A,

GDC Motioned revisit the items currently listed on the HLR website and request to rescind from Board Agenda Items the following Motions:

Motion 1: GDC Mission and Procedures document - Not all new committee members have had the opportunity to review the compiled document.

Motion 2: Compiled Matrix of past approved HLR Board Motions from 2002 to September 2021 - There have been some inaccuracies and omissions identified that the committee noted, and corrections should be made before presented as a finalized document.

Motion 3: The Board approve updated association rules - There are discrepancies and inaccuracies within the document that need to be looked at further before a recommendation/update to the document can be made by the GDC.

Motion 4: The Board task the appropriate committees or board officer to check their procedures to ensure compliance with past approved motions - Due to there being some omissions and discrepancies on the Matrix of past approved HLR we motioned to update the matrix before asking the Board to pass on actions to appropriate committees.

Motion 4: Request that the Board motion the following resolution (attached ENCL 1):

Whereas the Governing Documents Committee has prepared a revision to the Bylaws of the Association with significant community involvement and considering a wide variety of property owner perspectives and opinions and having weighed them as a group, has prepared this revised Bylaws, and,

Whereas the Bylaws have not regularly been revised in accordance with the authority provided in the HLR Articles of Incorporation, and,

Whereas the draft document reflects a consensus for revising the Bylaws so that the Corporation will be less imposing on property owners,

Be it resolved that the Draft Revised Bylaws of High Lonesome Ranch Estates Property Owners Association are hereby adopted as Revised Bylaws of High Lonesome Ranch Estates Property Owners Association, and that all previous board actions that conflict with these Bylaws are rescinded.

Summary of Changes

The purpose of the Association was clarified to indicate that the purpose of the Association is to do those things required by statute, the Declaration, and the Articles of Incorporation and to restrict itself from further intrusions into property owners' enjoyment of their properties.

The Bylaws have been simplified by removing text that was a copy of statutory requirements and linked references to those requirements have been included.

Because the Board has so incoherently exercised its authority to waive Declaration requirements and examples of violations of most of the significant provisions exist, while some provisions have been unevenly enforced and many sales in prior years have fallen through because, on its face, the Declaration imposes limits that would otherwise prevent development of properties in the spirit of a rural ranching region rather than a city neighborhood, Article 7.3 provides for nonenforcement or a blanket waiver authority of the Declaration Articles 9 and 10, which in all fairness, cannot now be

fairly enforced anymore by the POA. Enforcing Articles 9 and 10 of the Declaration were never a requirement of the Association, just a right.

A provision for what to do in the event of a totally vacant board was included as were clarifications of replacement mechanisms for individual vacancies.

The Board is expanded from the current size to a nine-member board to better include and reflect a wider variety of perspectives and opinions.

Term limits were removed given the expanded board and Association Members' ability to simply not re-elect any director.

The Board's authority to litigate was clarified and restricted.

Clarifies and adds duty requirements for the Corporate Officers and increases the internal controls duties of the Treasurer.

Committees will no longer have a cap to the number of community members that can serve their community.

Requires a Finance Committee to oversee budgeting and financial controls while eliminating the Architectural Review Committee.

Allows Directors, who choose the Corporate Officers from among themselves, to also make changes to the officers during the year based on performance. The expanded board composition facilitates this.

Other minor and grammatical items

A comparison document of the current Bylaws with the proposed bylaws is available for posting on the website.

Motion 2: The Board post the modified Revised Bylaws of High Lonesome Ranch Estates Property Owners Association to the HLR Official Website.

Assuming the Board adopts GDC Motion 1, GDC requests that the board update the HLR Official Website to reflect the most recent document.

Submitted by

Corinthea P
GDC Chair

Insurance Committee to Act on the Association's Behalf

Whereas the Board previously authorized an ad hoc committee to investigate insurance issues known as the HLRPOA Insurance Committee, and,

Whereas the Committee held an initial meeting on 12/20/2021 to establish the committee's scope and workplan, and,

Whereas the committee's scope was decided to be, "To investigate existing coverage after obtaining and reviewing the policy, to interact with the insurer to clarify coverages and to investigate if different coverages and insurers might be necessary.", and,

Whereas the committee's work plan was decided to be:

"Project plan:

1. Review Policy
2. Review GDs for specifications
3. Discussion with insurer to identify the policy's coverage given context and existing provisions in contracts and other documents outside the contract between the Association and the insurer.
4. Develop and communicate to the GDC insurance related procedures
5. Collect and compare coverage documents of similar associations and solicit other insurers to present or to offer quotes.
6. Develop Options of coverages and potential self-insurance
7. Compile a recommendation", and,

Whereas the committee requires additional information from the Association including a complete copy of the policy rather than just a renewal as has been provided and the limited authority to approach insurance agents and others on behalf of the Association,

Be it resolved that the Association grants the limited authority to approach agents and others for discussion purposes only but without any authority to contract to the Insurance Committee and agrees to provide a complete copy of the existing policy to the Committee. The Board approves the scope and project plan.



Approved Agenda Items

ARC 3 requests

- Lot 34 for addition of a porch roof, Mr. Smith 2nd floor **passed 4 to 1**
- Lot 124 for a field fence encircling a portion of the main residence. Mr. Smith 2nd **all in favor**
- Lot 82 for development of the property Mr. Barfield 2nd **3 in favor 2 abstained.**

Approval of the Dec 13th, 2021, Minutes with corrections Mr. Smith 2nd **All in favor**

Approval of the Jan 6th, 2022 Special meeting minutes with corrections Mr. Smith 2nd **Passed 3 to 1 no 1 abstained**

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Appeal the Ethic Statement & Code of Conduct: Mr. Smith 2nd **passed 3 to 2**

Ms. Pangelinan motion to adopt the revised Bylaws affective immediately Mr. McFarland 2nd **passed 3 to 2**

Committee membership motions

GDC new members Ms. Crouch 2nd **All in favor**
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