



Four Hills Ranch POA

2019 Annual Meeting

June 1 , 2019

Meeting Time: 1:00pm – 3:00pm

Social Hour: 3:00pm – 3:30pm

Agenda Item – Call to Order

- Agenda - Opening
 - President's Welcome and Remarks
 - Owner Participation
 - Please limit question or comment to 2 minutes
 - Disruptive behavior will not be tolerated
 - No alcoholic beverages allowed in meeting room

Agenda Item – Opening (Continued)

- Four Hills Ranch POA Membership & Description
- 425 Owners, 489 parcels
 - 52% AZ, 27% CA, 21% from 35 other states + Canada
 - Full Time Residents: Varies year to year
- Board Meeting Schedule: Usually 1st or 2nd Saturday
 - June – September – December - March
- Annual Meeting
 - Usually held in June on a date selected by the Board

Agenda Item – Board Member Election

- Elected by Landowners – requires a majority vote
 - Quorum: Ballots representing 10% of 489 parcels
 - Term: 3 years
- Board Appointments - Optional
 - Term: 1 year
 - Attend meetings – vote only if quorum not present
- If you haven't already voted – Vote Now!

Agenda Item – High Country Fire & Rescue

- Description of HCFR
 - Formed in 2008 with one Fire Engine & Rescue Ambulance
 - Now: 3 Fire Engines, water tender, Command/EMS quick response vehicle, and new rescue ambulance.
 - Not tax-based – supported by memberships (FHR \$4,000/yr.)
 - **Fire Chief: Robert Trotter.** All men and women are volunteers
- Services Provided by HCFR
 - Available 24/7, 365 days a year
 - Average 230 calls per year
 - Fire suppression, wildland fire suppression, emergency medical services, injury accidents, and CPR training
- Contact Information
 - Emergency Call 911
 - Business 928-635-9988

Agenda Item – Treasurer's Report

- Tony Kack, Treasurer

Agenda Item – Treasurer's Report

- **Financial Documents - Handouts**
 - Annual Year End Financial Report – Board of Directors
- Financial Reports
 - Robert Weiss, CPA
- Posted on website, copies available upon request

Balance Sheet – Year End

Accrual Basis	12/31/16	12/31/17	12/31/18
Cash/Equivalent	\$ 164,340.32	\$ 190,239.85	\$ 194,436.05
Accounts Receivable	96,723.31	104,148.57	116,653.57
Current Assets	261,063.63	294,388.42	311,089.62
Total Assets	\$ 261,063.63	\$ 294,388.42	\$ 311,089.62
Fund Balances	222,702.12	260,217.59	294,388.42
Net Income	38,361.51	34,170.83	16,701.20
Total Liabilities & Fund Balances	\$ 261,063.63	\$ 294,388.42	\$ 311,089.62

Profit & Loss – Year End

Cash Basis	12/31/16	12/31/17	12/31/18
Total Income	\$ 120,679.36	\$ 113,283.04	\$111,193.56
Expenses (<u>Major Categories</u>)			
Contract Services	\$ 8,000.00	\$ 4,000.00	\$ 4,000.00
Professional Services	(10%) 12,542.17	(9.5%) 10,762.28	(11.3%) 12,520.67
Road Maintenance/Repairs	(40%) 48,484.00	(62%) 70,582.50	(75%) 83,511.75
All Others	4,611.78	3,994.15	6,965.91
Total Expenses	(61%) \$ 73,637.95	(79%) \$ 89,338.93	(96%) \$106,998.33
Net	\$47,041.41	\$24,018.53	\$4,267.20

Account Balances

	12/31/17	12/31/18	4/30/19
Accounts			
National Bank Checking	\$ 62,767.20	\$ 63,256.44	\$ 111,288.38
Money Market Account	\$ 118,876.20	\$ 118,919.93	\$ 118,915.57
FHR/HMR CR 60/40 Split	\$ 7,202.27	\$ 13,192.27	\$ 10,002.46
FHR/HMR CR Reserve 60/40	\$ 7,247.81	\$ 7,240.53	\$ 7,236.00
Total	\$ 196,093.48	\$ 202,609.17	\$ 247,442.41

Treasurer's Report – Important Takeaways

- No Increase in Dues for 2019
- Excellent Fiscal Health for FHR POA
 - Common Road Maintenance Agreement and Annual Plan
 - Strong Balance Sheet & Operating Reserves
 - Stable Revenue & Expenditures

Agenda Item – Election Results

- Candidates Elected to the Board
- Term: 2019 - 2022

Agenda Item – Four Hills Ranch Road Report

- Tracking Reports for 2018 & 2019 – **Handout**
- Road Maintenance Expenditures for Four Hills Ranch
- Include Common Roads Expenditures
 - 2015 \$47,100 **42%** of Total Revenue (\$112,998)
 - 2016 \$48,484 **37%** of Total Revenue (\$129,910)
 - 2017 \$70,583 **62%** of Total Revenue (\$113,283)
 - 2018 \$83,512 **75%** of Total Revenue (\$111,194)

2019 Four Hills Ranch Road Report (Continued)

- 2019 Road Plan Budget
 - Road Maintenance & Repair
 - \$57,500 for 460 hours @ \$125/hr.
 - \$20,160 for approximately 1,000 cu. yds. Road Mix
 - \$77,600 Total Budget (Excluding Common Roads)
 - And Then Came the Rain & Snow!

2019 Revised Four Hills Ranch Road Plan

- Challenges
 - Projected Costs for Repairs Beyond Budget Capacity
 - Can't Wait 3-5 yrs. – Must Address This Year
 - Maintain Fiscal Integrity of POA
- Additional Revenue - Options
 - Assessment
 - Dues Increase
 - Operating Reserves

2019 Revised Four Hills Ranch Road Plan

- Operating Reserves – What Are They?
 - Unrestricted Cash Reserves – Accumulated Net Income
 - Unexpected and Unbudgeted Expenses
 - NOT for Long-Term Revenue Loss or Excess Activities
- Operating Reserves – How Much is Enough?
 - Low End -- High End -- FHR Target
- FHR Operating Reserves
 - 2009 – Only **\$15,060**, 14% of Budget
 - Efforts to Build Over Next 10 Years
 - 2015 – 102% of Budget
- FHR's Current Operating Reserves on 12/31/18: **\$182,174**, 163% of Budget

2019 Revised Four Hills Ranch Road Plan

- Board Action
 - No One-Time Assessment
 - No Dues Increase
 - Use Operating Reserves
- How Much And Still Maintain Financial Integrity?
 - Up To \$55,000
 - Minimum Balance **100% of Budget**
 - Operating Reserves Balance \$127,174, **114% of Budget**
- Impact on Financial Statements
 - Income Statement – Potential Negative Net Income for 2019

Agenda Item: Four Hills Ranch Road Signs

- Sign Replacement
- 2018 Summary
 - 14 missing and/or damaged signs installed
 - New 4' Signs installed at three entrances
 - Total Expenditures: \$3,770.83
- 2019 – Work Plans
 - Installed Speed Limit Signs
 - 1st - Replace missing signs on Arterial Roads
 - 2nd - Replace missing signs on Secondary
 - If you know of any, please contact FHR POA

Agenda Item: Mailbox Update

- HMR – Phase 1 will purchase the current mailboxes from FHR and HMR
- All free-standing mailboxes must be removed from the East side
 - Owners may purchase a mailbox in the new bank of mailboxes
- HMR and FHR ranch are each purchasing two new banks of 16-mailboxes
- Owners who have boxes in the current bank will be assigned a mailbox in the new bank
- HMR has ordered the four (4) new boxes and will install them on the West side
- Some owners have already requested one of the new mailboxes – If any of you are interested, please leave your name on the list located on the back table.
 - Cost: Approximately \$110.00 (Cost of mailboxes plus installation divided by 16)

Agenda Item: Mailbox Update (Continued)

- Next Steps

- Installation of four (4) banks of mailboxes on the West side
 - Determine cost of new mailboxes for interested owners
- Assignment of mailbox numbers for current owners of mailboxes and owners wanting one of the new mailboxes
- Distribution of keys to new mailboxes
- Determination of "Active Date" for mail delivery to new mailboxes.
 - Coordinate with two POA's and the Williams Post Office
 - Communication to owners of current mailboxes & new mailboxes
 - Collection of keys from owners with current mailboxes to give to HMR – Phase 1
- Good News – We know "what" needs to be done.
- Bad News – All details of "how" are not yet determined.

Agenda Item – Common Roads Annual Report

- FHR Primarily Responsible Association (2019 – 2022)
- 2018-2019 Review
 - Communications
 - Financial Report – Year Ending April 30, 2019
- Looking Ahead to 2019-2020

Agenda Item - Announcements

- Thank You for attending!
- Please Complete Feedback Form
- Social Time following Meeting
- Board Meeting following Social Time

Adjournment



Safe Travels!

Thank you for your attendance!