



Four Hills Ranch POA Board Meeting

March 9, 2019

High Country Fire and Rescue House

Williams, AZ

ATTENDANCE:

KIM SHUEY, VICE PRESIDENT (By Phone)

DENNIS VAN ROEKEL, SECRETARY (By Phone)

TONY KACK, TREASURER (By Phone)

ABSENT:

SHERRIAN BLOOMQUIST

THAD JOHNSON

TOM MAKOFKSKE (Alternate)

NOTE: Due to closure of some roads on Four Hills Ranch caused by excessive snow-melt runoff, the quarterly board meeting was conducted by phone.

Call to Order

Meeting was called to order at 10:20am by Vice President Kim Shuey.

Agenda Item: Approval of the Minutes

- No action was needed since the minutes of the December 1, 2018 Board Meeting were previously approved by an email vote of the Board of Directors.

Agenda Item: Financial Reports

- **Delinquent Accounts – Update**
 - The report to the Board indicated that two long-time delinquent accounts were brought up-to-date in January 2019. The balances on the accounts had been \$1,584 and \$4,194.
 - Payments for 2019 dues assessments are being received on target with previous years.
- **2018 Year End Report**
 - The **2018 Year End Financial Report** was developed by the Board and will be presented to owners at the Annual Meeting in June. The financial statements included in the report were provided by the accounting firm employed by the POA.
 - The draft report was sent earlier to the Board for review and comment. Following a brief discussion, the Board took the following action:
 - **Motion: To approve the 2018 Year End Financial Report for presentation to the owners at the 2019 Four Hills Ranch POA Annual Meeting.**
 - Moved by Kim Shuey, Seconded by Tony Kack
 - **Motion passed unanimously by voting members.**

- **FHR POA 1st Qtr. Financial Report**
 - The Board was presented the financial report for the months of January and February.
 - The invoice for the POA's new Liability Policy arrived and the cost is \$1,350 compared to \$910 in 2018. The new policy is more correctly suited to the circumstances of the POA and was recommended by the insurance agent. It was difficult to find a liability policy that specifically addressed the needs of the POA and research will be conducted through the current year for other options.

Agenda Item: FHR POA Annual Meeting Planning

- **Meeting Room Arrangements**
 - The Board is in the final stages of approving the contract for the meeting space at the Grand Canyon Railway Hotel. This was the site of the 2018 Annual Meeting and the Board received positive feedback on the location.
- **Draft Announcements**
 - The Board received drafts of the two meeting announcements that will be sent on April 1 and May 1 respectively. Following discussion, there were no recommended changes.
- **Draft Agenda**
 - The Board reviewed the draft agenda for the 2019 annual Meeting. Discussion focused on the importance of providing greater detail about the work on FHR roads in 2019. The increased amount of rainfall plus the melting snow run-off has caused incredible damage to the roads. As a result, the expenditures of the 2019 budget for road maintenance and repair will be very different than in past years.
 - The POA must be prepared to present multiple options to the owners and ask for their feedback on those options, including the option of increasing dues or an assessment.
 - The Board reviewed a draft for a feed back form that could be used at the annual Meeting. Following discussion, the Board decided to move forward and use the form at the Annual Meeting.

Agenda Item: 2019 Four Hills Ranch Plan

- The Board reviewed the 2019 Budget/Expense Report for the 1st Quarter of the year.
 - Discussion continued about the types of road repairs would be needed after the water has stopped flowing on the ranch and repair begins on the damaged roads.
 - Several questions and comments emerged that will require further discussion and be addressed for feasibility and cost by the road contractor.
 - In locations where previously existing culverts were washed out, do we need to increase the size of the culverts or do we need to increase the number of culverts in those locations?
 - Based on the needed repairs, should the focus of the 2019 Road Plan be to repair and make improvements to those problem areas and only use remaining budgeted funds, if any, for blading the rest of the roads? What will be the reaction of owners whose roads are not bladed according to past practice?

- What would have to be done this year so we could commit to owners that in future years, there will always be at least one way in/out of the ranch? Which locations should we choose for the intensive attention? Bight Sky and Painted Rock?
- Should we purchase portable signs to indicate the roads are closed and store them with owners who live near the problem areas? How many would we need?
- Could we purchase/install posts that would indicate the depth of the water when the road is flooded?
- How many repairs/improvements can we reasonably expect to complete prior to the Annual Meeting in June?
- What long-term improvements can be implemented on Mineral Wells and High Butte Dr. that are feasible and within budget constraints?
- What is reasonable to spend to correct the type of problems that occur only every decade vs. spending the yearly budget to ensure all roads get attention?
- The next steps will include discussions with the road contractor following his detailed assessment of where we are and the options for repairs and improvements.

Agenda Item: Sign Replacement

- Vice President Shuey reported that all but one of the purchased signs have been installed. The remaining sign is on Pipe Creek Loop and is in an area that is extremely rocky and will require concrete for the setting of the sign.
- The road contractor will be contacted for assistance in the installation of the sign.

Agenda Item: Common Roads

- **2018-2019 Financial Update**
 - The fiscal year ends on April 30, 2019. With 2 months remaining, \$10,213.91 remains in the budget. Thus far in the 2018-2019 fiscal year, the common roads have been bladed in August and December.
 - The Board previously received information about a major project under consideration by the HRM and the FHR. The HMR Board discussed the need for major work on Big Elk as well as the problem section on Jackrabbit Road. The bids to do Big Elk from Highway 64 to the tracks ranged from \$84,000 to \$90,000. Neither POA has resources available for such a large expense and therefore, determined that improvements would have to be done in sections.
 - The first section of Big Elk addressed would be a ½ mile section where the road dips down and there is a rock bed that makes blading extremely difficult. The intent is to build up the road bed by about 6 inches at a cost of \$25,000. Based on the review of the 2018-2019 Common Roads budget, there is approximately \$7,500 available for this project. HMR is willing to fund \$15,000 of the total and FHR agreed that the remaining \$2,500 would come from the Common Roads Reserve Fund. The current balance of the Reserve Fund is \$7,240 so the new balance would be \$4,740.
- **Draft 2019-2020 Common Roads Plan**
 - As of May 1, 2019, FHR will become the Primarily Responsible Association and it is therefore FHR's responsibility to develop the 2019-2020 Annual Common Roads Plan.
 - The Plan presented to the Board will be amended after May 1 when the Board receives a plan and projected costs for a special project on Jack Rabbit Road.

Agenda Item: Updates/New Business

- **Mailboxes**
 - The target date for moving the mailboxes is April. Based on discussions, HRM thought it would be better to wait until after the winter weather. HMR plans to move the old HMR and FHR mailboxes and purchase two new banks of mailboxes, one for each HMR and FHR. HMR agreed to purchase a new bank for FHR with the understanding that FHR would reimburse HMR for the purchase and the cost of moving our old mailbox plus installation of the new one. HMR has held conversations with Jerry Hill and Anita regarding the move. No contractor has yet been selected to move and install the mailboxes.

- **Schedule for Board Meetings**
 - The Board discussed the feasibility of holding the quarterly Board meetings on the 2nd Saturday of the month rather than the first. Delaying the meeting date would ensure that the latest end of the month financial information would be available for the meeting.
 - The Board members expressed support for the idea and the topic will be considered again at the June Board meeting (Following the Annual Meeting) when the dates for the coming Board meetings are determined.

- **Other – Annual Dues Assessments for Subdivided Parcels**
 - The Board reviewed information that currently, all owners of subdivided parcels are not treated in the same manner.
 - More research is needed to determine how the dues were previously established for the subdivided parcels.
 - Once further information has been obtained, the Board will determine what actions, if any, need to be taken moving forward.

- **New Business – Annexation of Property**
 - An owner of land adjacent to Four Hills Ranch inquired if the FHR POA would be interested in adding their land to the Four Hills Ranch. The owner agrees to pay fees as a member of the POA and to abide by the Bylaws and CC&R's of the FHR POA.
 - In a review of the relevant sections of the CC&R's, the annexation of land is permissible and can be done by a vote of the Board.
 - FHR will work with the POA attorney to develop the specifics of a proposed agreement to consider items, such as, but not limited to, the following:
 - Establish the dues for the new parcel and dues for any new parcels created if the original parcel is subdivided.
 - Clearly define Four Hills Ranch POA responsibilities, if any, for any new roads required due to the subdivision of the original parcel.

Meeting Adjourned at 11:32am