



Four Hills Ranch POA Board Meeting

March 7, 2020

High Country Fire & Rescue

Williams, AZ

ATTENDANCE:

THAD JOHNSON, PRESIDENT
KIM SHUEY, VICE PRESIDENT
DENNIS VAN ROEKEL, SECRETARY-TREASURER
ANNMARIE BICE, DIRECTOR (By Phone)
TOM MAKOFKSKE, DIRECTOR (By Phone)

ABSENT:

SHERRIAN BLOOMQUIST, DIRECTOR

Call to Order

- Meeting called to Order at 10:09 a.m. by President Johnson.

Adoption of Agenda

- **Motion: To Adopt the Agenda**
 - o Moved by Kim Shuey, Seconded by Dennis Van Roekel.
 - **Motion approved unanimously.**

Agenda Item: Review 12/7/19 Meeting Rating

- President Johnson stated that the purpose of reviewing the meeting ratings from December was to reiterate what worked and what didn't work.
- All ratings and comments from the March 7, 2020 meeting were reviewed.

Agenda Item: Approval of Minutes

- No action required. Minutes of the December 7, 2020 meeting were previously approved by an email vote and posted on the website.

Agenda Item: Old Business

- **Road Signs Update**
 - o Five (5) road signs will be ordered next week. One sign needs to be changed to indicate that the entrance road is Jackrabbit Road, not Brushy Canyon Trail.
 - **ACTION:** Vice President Shuey will order the signs and determine how best to get them installed.
- **Mailboxes Update**
 - o Vice President Shuey informed the Board that an additional mailbox was sold to an owner who just finished his house and will be moving to Four Hills Ranch on a full-time basis. The cost, as previously determined, was \$100.
 - o Howard Mesa East removed all of the single mailboxes that remained on the East side of Highway 64 and placed them behind the new bank of mailboxes on the West side of Highway 64. Three (3) belonged to Howard Mesa Ranch owners and one (1) belonged to a Four Hills Ranch owner. Multiple attempts to contact the owner were made with no response. The mailbox is no longer receiving mail delivery from the post office. **NO SINGLE MAILBOXES ARE ALLOWED ON THE WEST SIDE OF HWY 64.**

- Ten (10) mailboxes remain for sale to new full-time residents. If more are needed, new banks of mailboxes will be placed in the designated area on Espee Road. Howard Mesa Ranch does not plan to add any new banks of mailboxes on the West side of Highway 64.
 - There are now twenty-seven (27) full or part-time residents at Four Hills Ranch.
 - **ACTION:** President Johnson and Vice President Shuey will arrange to move the single mailbox to the owner's property.
- **Website & Online Payments Update**
- Director Bice updated the Board on the Website online payments. The new payment feature is working and was used, thus far, by eight (8) owners to pay dues on twelve (12) parcels. If an owner has more than one parcel, the owner must make separate payments for each parcel.
 - The PayPal system charges the POA a \$7.14 processing fee (3%) for each transaction. The Board discussed whether the POA or the owner should be responsible for paying the fee. Currently, the POA is paying the entire fee. Following discussion, the Board acted on the following motion:
 - **Motion:** To assess a \$3.50 processing fee for each online payment beginning on April 1, 2020.
 - Moved by AnnMarie Bice, Seconded by Kim Shuey.
 - **Motion approved unanimously.**
 - One owner asked if the \$100 payment for the purchase of a mailbox could be paid online and the answer is "no", not at this time. Following the discussion of the Board, the Board decided not to add that feature to the website since the purchase of a mailbox occurs quite infrequently. The current process of payment by check will continue.
 - The Board agreed to place a flyer in the Annual Meeting folder with mailbox information.
 - **ACTION:** Vice President Shuey will develop the flyer and send it to Director Bice by the May 18, 2020 deadline.
 - President Johnson reported that the website receives an average of twenty (20) visitors daily.
- **Updating Member List for POA & Accountant**
- Vice President Shuey has graciously accepted responsibility for updating and maintaining the list of owners on the Google site.
 - Savannah, in our accountant's office, frequently is contacted by owners with updated information and forwards that information to Kim. Thad asked Savannah to forward any updated information to the entire Board so all will be aware of changes. In addition, any new information Kim receives is forwarded to Savannah so she can update their mailing list.
 - The 2020 Billing Statements were mailed out in January and the accountant received 8-12 returned statements indicating that the mailing addresses are not accurate. President Johnson used the Coconino County Parcel Viewer and found no differences between their information and the POA's. The POA may include another column on the spreadsheet for "other owner address" since the official owner address in our records needs to reflect the address on the County's tax record for us to take possible future legal action.
 - **ACTION:** Vice President Shuey will use White Pages to determine if new address information is available from that source for the owners whose statements were returned.

Agenda Item: Roads

- **2019-2020 Common Roads Expense Report**
- Secretary-Treasurer Van Roekel reviewed the Quarterly Report on the Common Roads Budget and Expenses. The fiscal year for the Common Roads ends April 30, 2020 so the report included all expenses May 2019 through March 2020.
 - FHR authorized a special project this year on Jackrabbit Road, especially on Snot Hill. \$8,087.66 was spent to address major problems on the road.
 - \$6,080.41 remains in the account and will be used for the 4th blading/ditching during the fiscal year. As usual, road mix material will be applied as needed.

- The Common Roads Reserve currently has a \$7,236 balance, representing 90% of the \$8,000 target.

- **2020-2021 Draft Annual Common Roads Plan**
 - The Board reviewed the draft of the 2020-2021 Annual Common Roads Plan for May1, 2020 – April 30, 2021.
 - The budget for the Common Roads remains at \$16,600 and includes quarterly blading and road mix material added as needed.
 - No additions/changes were proposed.

- **2020 Four Hills Ranch Road Budget Quarterly Report**
 - Secretary-Treasurer Van Roekel presented the 2020 Four Hills Ranch Quarterly Road Budget/Expenses Report. The report indicated that \$69,928.86 (92% of the road maintenance budget) was spent in the 1st Quarter on FHR Road Maintenance (Including the special project on Jackrabbit Road) leaving a balance in the account of \$6,161.14.
 - Dennis also provided an updated Road Maintenance Log for 2020 with invoice numbers, description and location of work done, and the costs associated with each entry totaling \$69,928.86.

- **Four Hills Ranch 2020 Road Plan Update**
 - The Four Hills Ranch 2020 Road Plan was reviewed by the Board in December and included six (6) hotspot special projects and grading, ditching, and road mix needs on fourteen (14) roads, including both Secondary and Arterial roads. All were completed in the 1st Quarter.
 - Secretary-Treasurer Van Roekel presented a report providing detailed information of expenditures for road maintenance for 2017-2020, the number of times annually the Arterial roads were bladed, and the percentage of Secondary road bladed each year.
 - Special attention was placed on the percentage of the road maintenance budget used for blading/ditching compared to the percentage of road maintenance budget used for road mix material. The estimated cost to spread cinders on a road is approximately \$5,000/mile. With approximately 70 miles of roads in Four Hills Ranch, it is obviously impossible to spread cinders on all roads in a year at a cost of \$350,000. Based on the analysis of the expenditures over past years, the target ratio of blading to road mix materials is proposed to be 65% to 35%.
 - Secretary-Treasurer Van Roekel presented a 2nd update report outlining in detail what has been accomplished in 2020 on the six (6) special projects, six (6) Secondary roads used by full-time residents, and eight (8) Secondary roads that the December road survey identified as needing blading, ditching, and road mix material
 - **ACTION:** President Johnson will post the two-page report on the website.
 - **ACTION:** Secretary-Treasurer Van Roekel will send the two-page detailed action sheet on road work to Thad.
 - In December, the Board determined that the specific details for the 2020 Four Hills Ranch Road Plan would be determined after the completion of the priorities set forth in the 2019 Roads Survey.
 - Secretary-Treasurer Van Roekel presented a Draft Four Hills Ranch Road Plan for March 2020 – December 2020.
 - The draft Plan outlined six (6) Objectives:
 - Blade/ditch Arterial Roads at least twice (1st & 3rd Quarter) annually and add road mix material as needed.
 - Annually blade 35% of all Secondary Roads and add road mix as needed. Every Secondary road would be bladed at least once every three (3) years.
 - Establish a target ratio of blading to road mix as 65% to 35%.
 - Create an annual list of Hotspots.
 - Allocate all revenue over budgeted revenue to road maintenance.
 - Manage the Four Hills Ranch Road Plan on a quarterly basis with needed adjustments.
 - The draft Plan divided all Secondary roads into three (3) groups.

Agenda Item: Financial Reports

- **2019 Four Hills Ranch Quarterly Financial Report**
 - Secretary-Treasurer Van Roekel presented the 1st Quarter Financial Report for January and February. The complete 1st Quarter Report will be sent to Board members at the end of March.
 - FHR has collected 50% of the budgeted revenue during the first two months of the year and the due date for 2020 dues is March 31, 2020.

- **Delinquent Accounts Report**
 - Since 2020 dues do not become delinquent until after March 31, there are no “delinquent” accounts for 2020 at this time.
 - Secretary-Treasurer Van Roekel reported an increase in the number of owners who have paid during January and February. Compared to 2019, fifty-five (55) more owners paid this year during the first two months resulting in an increase of \$14,650 in revenue compared to this time in 2019. (Including current and past dues collected,)

- **2019 Compilation Letter**
 - Secretary-Treasurer Van Roekel reported that Four Hills Ranch is in the process of engaging an outside CPA to provide the 2019 Compilation Letter.
 - The engagement letter will be forwarded to President Johnson for review and action.
 - **ACTION:** President Johnson will review and act on the engagement letter when received.

- **Collection Fees & Potential Foreclosures**
 - In December, President Johnson agreed to contact the President of the Cedar Mountain Heights POA to establish a meeting for Thad and Dennis to learn more about legal options used by that POA.
 - The meeting was held and Rich Scrivens provided a great deal of information of how their POA assesses late and collection fees associated with delinquent accounts.
 - Information on moving to foreclosure on delinquent accounts was also discussed. FHR is in the initial planning stages of whether Four Hills Ranch should move in this direction.
 - **ACTION:** President Johnson and Secretary-Treasurer Van Roekel will continue to pursue information regarding potential legal actions on delinquent accounts that could be taken by the Four Hills Ranch POA and bring a recommendation to the Board at a future Board meeting.

- **Dues Billing Update**
 - Secretary-Treasurer Van Roekel was asked to work with the FHR accountant to conduct a review of the 2020 billing process and assess whether the changes made for this year had made any appreciable difference.
 - In response to questions posed to the accountant and his staff, the short answer is that there were no major differences. However, the work done by the Board last year in updating owner information has resulted in a more accurate information base and will provide what is needed if the Board determines to take further legal action on delinquent accounts.
 - Payment of dues via the website is in its infant stages and time will tell whether that change in the billing and payment process will have a significant impact in the future.
 - **ACTION:** Secretary-Treasurer Van Roekel will continue to monitor the implementation of the new Assessment Collection Policy to assess for possible changes in the policy and dues collection process in 2021.

- **2020 Financial Projections/Targets**
 - *This item was discussed as part of the Four Hills Ranch 2020 Road Plan Update – see page 4 of the minutes.*

Agenda Item: New Business

- **2020 Annual Meeting Planning**

- The Board reviewed planning components discussed at the December Board Meeting.
 - The Board selected **June 13, 2020** for the 2020 Four Hills Ranch Annual Meeting.
 - President Johnson is responsible for the development of the meeting agenda.
 - Director Bice is responsible for 1) Arranging for the meeting site and refreshments, 2) Providing folders with meeting materials for all attendees, 3) Providing copies of FHR maps for the folders, and 4) Providing a laptop and projector.
 - Secretary-Treasurer Van Roekel is responsible for providing the End of Year Financial Reports for the folders.
 - **All materials to be included in the folders must be received by AnnMarie no later than May 18, 2020.**
- President Johnson reviewed the draft agenda and board members suggested possible changes.
- Director Bice reported that arrangements for the meeting site and refreshments have been completed in addition to the creation of meeting folders for all attendees.
- The Board reviewed the draft of the 2020 Annual Meeting 1st Announcement and suggested changes.
 - **ACTION:** Vice President Shuey will gather information on Lifeline and create a flyer for inclusion in the meeting folders for participants. The material will be sent to AnnMarie by the May 18, 2020 deadline.
 - **ACTION:** Secretary-Treasurer Van Roekel is responsible for: 1) Developing a draft PowerPoint for the Annual Meeting, 2) Sending to Thad and Kim the word documents used for last year's Annual Meeting (Feedback form, sign-in sheet, etc.), and 3) Sending Thad the word document for the Annual Meeting 1st Announcement.
 - **ACTION:** President Johnson agreed to be responsible for the printing and mailing of the 1st Announcement for the Annual Meeting. The mailing is scheduled to be mailed on April 1, 2020.

- **Draft Bylaw Amendments**

- Secretary-Treasurer Van Roekel presented Draft (1) of the proposed changes to the Four Hills Ranch Bylaws.
- Suggested process to be used:
 - Board members will review Draft (1) and send all criticisms to Thad and Dennis. The idea is to find all items board members don't like in Draft (1).
 - Criticisms of Draft (1) will be used to develop Draft (2) and will be presented to the Board at the September Board Meeting. At that meeting, Board members will again be asked to find every detail they don't like in Draft (2) and send those criticisms to Thad and Dennis.
 - Criticisms of Draft (2) will be used to create Draft (3). Draft (3) will be sent to the POA attorney for review and compliance with state statutes and changes suggested by the attorney will be used to develop Draft (4).
 - Draft (4) will be presented to the Board at the December Board meeting for action.

- **Tax Liens and Foreclosures**

- The POA was contacted about foreclosures on four (4) properties in Four Hills Ranch and asked whether the POA wanted to participate. The items were referred to the POA attorney for review.
- The tax liens on the properties ranged from \$5,000-\$8,000. To participate in an effort to recover the past dues and fees owed to the Four Hills Ranch POA, the POA would have to hire an attorney to pursue and pay the back tax liens plus interest.
- After review by the POA attorney, the POA decided not to participate in the foreclosure. As a result of the foreclosures, the POA will be unable to collect the amount owed to Four Hills Ranch POA for back dues and fees.

Agenda Item: Board Administration

- **Future Meeting Date**
 - The next Board meeting is scheduled for June 13, 2020, immediately following the Annual Meeting.
 - The Board discussed future meeting dates so those could be announced at the Annual Meeting.
 - **ACTION:** The Board selected **September 12, 2020** and **December 5, 2020** as the Board meeting dates for the remainder of 2020.

Agenda Item: Meeting Rating

- President Johnson asked each board member to select a single number from 1 – 7 to rate the meeting with a “7” meaning the “best meeting ever” and a “1” meaning “I’d rather be at the dentist”.
- Scores ranged from 5 to 6.
- Board members with the highest scores were asked “What worked well?”
 - Comments were 1) Handouts were good, 2) Agenda and materials were easy to follow, 3) Meeting was managed well.
- Comments from the low scores were 1) Not satisfied with technology and phone system, 2) Losing connections wasted time, and 3) Meeting went beyond projected ending time.
- Board members commented that the meeting went long due to good discussions on many topics and not due to wasted time. It was a full agenda and allowed time for good discussions.

Agenda Item: Adjournment

- **Motion to Adjourn at 12:35pm**
 - Moved by Dennis Van Roekel, Seconded by Kim Shuey
 - **Motion approved unanimously.**