



Four Hills Ranch POA Board Meeting

December 12, 2020 – Via Zoom Meeting

ATTENDANCE:

THAD JOHNSON, PRESIDENT
DENNIS VAN ROEKEL, SECRETARY-TREASURER
TOM MAKOFKSKE, DIRECTOR

KIM SHUEY, VICE PRESIDENT
ANNMARIE BICE, DIRECTOR
LARRY SCHUG, DIRECTOR

ABSENT:

SHERRIAN BLOOMQUIST, DIRECTOR

Call to Order

- Meeting Called to Order at 9:05 a.m. by President Johnson

Agenda Item: Adoption of Agenda

- **Motion: To Adopt the Agenda**
 - o Moved by Larry Schug, Seconded by Kim Shuey.
 - **Motion approved unanimously.**

Agenda Item: Approval of Minutes

- The September 2020 Minutes were previously approved via Email and posted on the website.

Agenda Item: Roads

- **4HR/HMR Common Roads Update**
 - o The Fiscal Year for the Common Roads is May 1, 2020 – April 30, 2021 with an annual budget of \$18,200 (Includes the 10% increase for the 2020-2021 Fiscal Year).
 - o The written report listed the work completed since May 1, 2020.
 - 1st Quarter: Bladed Big Elk and Jackrabbit (\$1,000). 2nd Quarter: Bladed roads, special upgrade project on Jackrabbit Road, and 70 cu/yds of road mix distributed (\$10,085). 3rd Quarter: Bladed roads bladed (\$2,970).
 - o The 4th blading is scheduled for the 4th Quarter of the Common Roads Fiscal Year.
 - o Common Roads Reserve Account balance is \$7,205.27, as of 11/30/20.
- **4HR Roads Update**
 - o The 2020 annual budget for road maintenance is \$76,090. Final repairs were completed at the W. Bright Sky and Painted Trail crossings in addition to work completed on the Primary and Secondary Roads. Total expenditures are \$122,917.67, as of 11/30/20,.
 - o Primary Roads were bladed in the 1st, 3rd, and 4th Quarters and all Secondary Roads in Groups 1 and 3 were bladed as of 11/30/20.
 - o Based on the financial analysis of remaining income and expenses for 2020, approximately \$6,400 is available for road maintenance in 2020.
 - o The Board discussed and identified potential hot spots to possibly address with the additional funds.
 - Last quarter mile of Sharp Knife Road (Lots 710-712), intersection of Abrazo Pass and Mineral Wells (Lots 602,648), intersection of Mineral Wells and Garnet Mine Road (Lot 604), and the back side of Black Burro Loop (Lots 721, 723, 724).
 - Black Burro Loop in in Group 2 of the Primary Roads and will be bladed in 2021.

- Following the discussion, the Board agreed to the following actions:
 - **ACTION: Deliver two (2) loads of road mix material on Sharp Knife Road.**
 - **ACTION: Dennis agreed to establish a meeting with the contractor at the intersection of Abrazo Road and Mineral Wells to discuss the best approach for repairs .**
- **Draft 2021 FHR Road Plan**
 - The 2021 Draft Road Plan was presented to the Board and included the following elements:
 - Budget of \$82,200, an 8% increase over the 2020 Road Maintenance budget.
 - Blade Primary Roads three (3) times (1st, 3rd, and 4th Quarters.).
 - Blade Secondary Roads in Group 2.
 - Following discussion, the Board agreed to proceed with the 2021 Four Hills Ranch Road Plan, as presented.

Agenda Item: Financial Reports

- **2020 FHR Quarterly Financial Report**
 - Prior to the meeting, the Board received the Quarterly Report. As of 11/30/2020:
 - Total Income is \$123,706, which is \$11,706 over projected income for 2020.
 - Total Expenses are \$155,562. The expenses include the final repairs to the W. Bright Sky and Painted Trail Crossings, a special repair project on Jackrabbit Road, additional road maintenance included in the 2020 FHR Road Plan, and the Common Road expenses.
 - The report listed the projected December income and expenses of \$1,000 and \$1,750, respectively.
- **Net Income & Reserve Projections**
 - The purpose of the projections of the Year-End Reserves is to maximize the use of funds for road maintenance. Projections are updated for each Board meeting to assess whether the Board will be able to reach the Target Net Income and Target Reserve Balance for 2020.
 - The 2020 Target Reserve Balance is \$134,226, equaling 120% of the annual budget.
 - The 2020 Target Net Income is (\$40,000).
 - As of 11/30/20, the POA is on target to meet both targets.
 - Based on the current and projected income and expenses for the year, the Board determined that an additional \$6,400 is available to spend on road maintenance in 2020.
- **Delinquent Accounts**
 - As of 11/30/20, the \$91,617 total delinquent account balance is \$12,641 less than the balance on 11/30/19.
 - As of 11/30/20, the number of delinquent accounts decreased to 30 compared to 36 on the same date in 2019.
 - The Board received a written report detailing all delinquent accounts.
- **Draft 2021 Four Hills Ranch POA Budget**
 - The Board reviewed the draft 2021 Four Hills Ranch POA Budget.
 - The 2021 Annual Assessment is \$260, an increase of \$14. This is the first increase in the annual assessment since 2014.
 - The Budget increased from \$112,000 to \$122,200, a 9.1% increase.
 - Following discussion, the Board took the following action.
 - **Motion: To approve the 2021 Four Hills Ranch POA Budget**
 - Moved by Kim Shuey, Seconded by Larry Schug.
 - **Motion approved unanimously.**

- **2021 Cash Flow Projections**

- The Board reviewed projections for the 12/31/20 checking account balance as well as projected income and expenses for January – March in 2021.
 - In January 2020, expenses for road maintenance exceeded the monthly income by \$14,742.
 - The checking account balance on 12/31/20 must be sufficient to cover planned expenditures as well as any emergency that may arise.
 - The Board discussed whether funds should be transferred from the Savings account to the Checking account and if so, how much.
- Following discussion, the Board took the following action.
 - **Motion: To transfer \$25,000 from the Savings account to the Checking account.**
 - Moved by Larry Schug, Seconded by Kim Shuey
 - **Motion approved unanimously.**
 - **ACTION: Dennis will contact Bill Weiss to activate the transfer of funds.**
- Special recognition was expressed for Bill Weiss for his responsiveness and the excellent working relationship he has established with Four Hills Ranch.
 - **ACTION: Thad agreed to send Bill a Christmas Card and message, on behalf of the Board, to express our thanks for his continued excellent work and recognition of his efforts on behalf of the Four Hills Ranch POA.**

Agenda Item: Old Business

- **Oliver Tank Height**

- Following a concern that was expressed to the Board regarding the height of Oliver Tank, Thad, Larry, and Todd made an assessment and determined that the spillway was 2' lower than the road.
- Thad met with the rancher and reported that it was an excellent conversation. The rancher is well aware of the easements and is careful so nothing is done that could cause flooding of the roads. If problems are identified, he is willing to rectify the problem.

- **Road Improvements on State Trust Lands**

- Previous discussions considered the ramifications of making Pipe Creek Loop a Primary Road beginning in 2022.
 - A portion of the road goes through State Trust Lands and concern was expressed whether that would pose any problems.
 - Members noted that this situation is not any different than where Red Bluff Road goes through State Trust Lands. Pipe Creek Loop is currently a Secondary Road and is bladed once every three (3) years. Denoting Pipe Creek Loop as a Primary Road only impacts the blading schedule – as a Primary Road, it will be bladed annually rather than once every three (3) years – it will not impact the type of work that is done on the road.
 - Members also pointed out the importance of maintaining that road for fire and emergency services to owners on the Ranch.
 - Special attention is needed for the low spot on Pipe Creek Loop that is extremely muddy during rains.
- Following discussion, the Board agreed to proceed as planned.

- **PayPal On-line Processing Fee for 2021**

- The 2021 online processing fee is 2.9% plus \$0.30, for a total of \$7.84. As previously agreed, the processing fee will be the responsibility of the owner using the online payment feature, not the POA.
- In 2020, 38 different owners used the PayPal feature on the website.

- **Website Business Account and Use**
 - The Board previously discussed whether it was prudent to upgrade to the Business Account.
 - The Business Account provides additional capabilities such as paying for more than one lot at a time and paying late fees. The current application does not allow either of those options.
 - The owner would simply enter the amount due, and the application would determine the processing fee and automatically add it to the assessment.
 - **ACTION: Thad will review the added features and set up and pay for the Business Account, on behalf of the POA.**

- **Grand Canyon Junction Update**
 - The coalition spearheading the effort to change the name of Valle to Grand Canyon Junction contacted the county and was provided approximately 10,000 names of owners in the various townships.
 - Once duplicates and foreign owners were eliminated, 6,500 names remained, and postcards were sent to all of them. The response rate to the survey was an amazing 75% and over half were supportive of the change.
 - Results were presented to the Board of Supervisors who then provided a Directive of Support.
 - The next step is to submit the Directive and supporting materials to the US Geographical Survey. If approved, new maps will use the name “Grand Canyon Junction” instead of “Valle”.
 - Additional information can be obtained at grandcanyonjunction.com.

- **Additional Mailboxes on Big Elk Road**
 - Thad previously contacted Cliff Hall, HMR POA President, to inquire about the possibility of adding mailboxes on Big Elk Road. Cliff responded that he would need to talk to his board, and Cliff has not yet reported back.
 - In a separate conversation, a FHR Board member was informed that HMR is also interested in adding new mailboxes.
 - Questions arose regarding the process for assigning mailboxes to new individuals and whether the process used by FHR was necessary. Kim immediately contacted the Post Office to check and was assured the process used by FHR is the correct one.
 - If new mailboxes are added, the Board agreed that they were not interested in any process that involved changing mailboxes for current users.

- **Replacing and Updating Road Signs**
 - As previously discussed, the 2021 Four Hills Ranch Budget includes funds for the replacement of Secondary Road signs in Group 3.
 - Questions were raised about what to do with the old signs. Following discussion, the Board determined that the old signs would be collected and stored until a decision is made at a future time.
 - Kim has already completed the assessment of the number and location of signs needed for Secondary Roads in Group 3. Once ordered, it takes about 2 weeks for delivery.
 - Installation of the signs will probably occur in April – June.
 - **ACTION: Thad will place the approval of the order for new signs on the March Board Agenda.**

- **New Pages for FHR Website**
 - Planning for new additions to the website will begin after the holidays.
 - Thad has already placed links on the FHR website (4hrpoa.org) with links to pages on the Cedar Mountain website.
 - **ACTION: Board members should suggestions for additions to the Four Hills Ranch website to Kim.**

- **Research Process – Foreclosures**
 - A meeting to discuss the issue with the FHR POA attorney has not yet been scheduled, and planning for this project will continue after the holidays.
 - The purpose of the meeting is to ask any questions we have regarding the process and cost of foreclosing on delinquent properties.
 - **ACTION: Board members are asked to email Thad with any questions you want addressed at the meeting with the attorney.**
 - **ACTION: Thad will schedule the meeting with the POA attorney and send invitations to Board members to attend, if interested.**

Agenda Item: New Business

- **Travel Trailers as Permanent Residences**
 - Board members have noticed and been contacted by owners of the increased number of travel trailers that are being used as permanent residences.
 - Several issues were identified.
 - Although Coconino County is now allowing travel trailers to be used as permanent residences, the Four Hills Ranch CC&Rs prohibit that practice.
 - As the number increases, what can and should be done with owners who are violating the CC&Rs? What recourses do we, as the POA, have?
 -
 - Following discussion, the following actions were taken.
 - **ACTION: Board Members are asked send Lot #s to Thad as new travel trailer locations are identified.**
 - **ACTION: Thad will draft a letter to 1) Welcome them to the community, 2) Provide information on the CC&Rs and county regulations, and 3) Encourage them to contact the POA for further information.**
- **2020 Annual Report**
 - The Annual Report is sent to members along with the annual billing statement in January.
 - Thad is currently working on the draft using the 2020 Annual Report as the model.
 - **ACTION: Board members are asked to submit any ideas to Thad by December 21, 2020.**

Agenda Item: Board Administration

- **Next Meeting Dates (March 6, 2021 @ 9:00am)**
 - Board members are requested to reserve March 13 as a possible date in case of a conflict on March 6.

Agenda Item: Adjourn

- **Motion: To Adjourn**
 - Moved by Larry Schug, Seconded by Dennis Van Roekel.
 - **Motion approved unanimously.**

Meeting Adjourned at 11:13 a.m.