



# Four Hills Ranch POA Board Meeting

March 13, 2021 – 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 9:12 a.m. by President Johnson.

## Agenda Item: Adoption of Agenda

- **Motion: To Adopt the Agenda as presented.**
  - o Moved by Dennis Van Roekel, Seconded by AnnMarie Bice. **Motion approved unanimously.**

## Agenda Item: Approval of Minutes

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

## Agenda Item: Roads

- **4HR/HMR Common Roads Update**
  - o The only expenses pending for 2020-2021 Fiscal Year (ends on 4/30/21) are accounting expenses.
  - o The roads were bladed four (4) times during the year plus completion of a special project on Jackrabbit Rd.
  - o \$800 was transferred from the savings account to the checking account on 2/16/21 to cover last blading in February. Extra work was completed to take advantage of the long awaited moisture. The funds will be transferred back into the savings account in April.
  - o Projected ending balance for the Fiscal Year on 4/30/21 is \$95.28.
- **4HR Roads Update**
  - o FHR is just beginning of year with only two (2) invoices thus far.
  - o All of Group 2 Secondary Roads and the 1<sup>st</sup> blading of the Primary Roads will be completed in March.
    - **ACTION: Dennis agreed to work with Fuller Trucking to complete the blading of the last section of W. Blue Star Trail.**
  - o Beginning in 2022, Quarter Moon Trail and Pipe Creek Loop will be considered Primary Roads and bladed accordingly. This change will create an additional north-south route for owners in the Four Hills Ranch.

## Agenda Item: Financial Reports

- **2020 Financial Report Summary**
  - o The Board reviewed the actual expenditures in 2020 compared to the 2020 budget as well as the adopted 2021 Four Hills Ranch POA Budget.

- **2021 FHR Quarterly Report**
  - The Board received the Quarterly Financial Report distributed to the Board prior to the meeting, there were no questions.
  - 2021 revenue is up \$11,888 over the revenue at this time last year – that’s good news.
  - Thus far in March, payments of the 2021 dues continue to look good and remain ahead of the 2020 collections.
  - The PayPal option is growing in use by owners and may be a contributing factor in the positive collection rate for 2021.
    - **ACTION: Thad agreed to complete an analysis of the use of PayPal in 2021 compared to 2020 and report back to the Board.**
      - **Update: Following the meeting, Thad reported that in 2020, 52 lots were paid through PayPal. In 2021, 36 lots have been paid year-to-date, compared to 28 at this time last year.**
  - Expenses for road maintenance are WAY down compared to the expenses at this time in 2020. In 2020, the POA took on a large project in the 1<sup>st</sup> quarter of the year to complete work on all Secondary Roads which served full-time residents as well as the 1<sup>st</sup> blading for the Primary Roads.
- **2021 Financial Projections/Targets**
  - The Board reviewed a document included in the board materials sent to the Board prior to the meeting.
  - The current target for the 2021 Net Income is \$2,500.
  - Due to the 2021 dues increase, the 2021 budget increased from \$112,000 to \$122,000. The 12/31/20 Reserve balance of \$136,511 represents 112% of the 2021 annual budget compared to 122% of the prior year’s budget.
  - The Board discussed options for the year to increase the Reserve balance by a greater amount than the planned \$2,500 or continue with the current target for the net income.
    - **ACTION: Following the discussion, the Board consensus was to continue the current financial plan and revisit after the monsoon season to determine if any excess revenue over budgeted revenue would be allocated to the Reserve Fund.**
- **Delinquent Accounts**
  - The Board reviewed the report on delinquent accounts. Over the past five (5) years, the number of delinquent accounts has decreased from 53 to 26, a 51% decrease. The challenge for the current year is to maintain or lower the number of delinquent accounts.
  - The discussion on the research project on potential foreclosures (later in the agenda) could impact our continued efforts to reduce the number of delinquent accounts and the total balance of the accounts.

### **Agenda Item: Old Business**

- **Review Action Items from December Board Meeting**
  - Website Business Account
    - Thad re-upped for the business account; the cost is \$99 annually. The functions on this level of account are less than the next level up but provide the functionality the POA needs without having to pay the additional costs for the upgraded level.
    - The PayPal function now includes the options of paying for 1 to 6 parcels and the fee function allows the POA to receive the full dues amount rather than being reduced by the service fee.
  - Research Process – Foreclosures
    - The Board previously received responses from the POA attorney to the seventeen (17) questions posed.

- If foreclosure action is initiated, payment for the process is an upfront cost and is estimated to be \$3,500 - \$4,500.
    - Thad asked if any of the Board members would be interested in pursuing this option.
    - Board members expressed interest in pursuing an initial case and work through it with someone so the POA could learn the ins/outs of the process. Once the trial case is resolved, the Board could then decide whether future foreclosures are warranted.
      - **ACTION:** Dennis agreed to do an analysis of the 26 delinquent accounts, as of 12/31/20, to determine a recommendation of which account(s) were the best options to pursue foreclosure.
      - **ACTION:** Thad agreed to establish a meeting with the POA attorney, after April 15, and include Thad, Dennis, and Kim to pursue an initial trial case.
  - Welcome Letters
    - Thad sent out the last group of “welcome letters” and reported that he occasionally received responses from the recipients, although none were received from the last batch.
    - Kim reported that Coconino County takes approximately three (3) months to update the Parcel Viewer once the new information is given to the county. Kim does not update the Four Hills Ranch membership list until the county updates their records to ensure that the POA’s billing information is consistent with the county’s records. Kim currently has approximately twenty (20) parcels on the “watch list” to regularly check the county’s records to determine if they have been updated.
    - Kudos were expressed to Kim for her excellent and persistent work in maintaining and updating the membership information. This is a large and time-consuming task, and the Board is appreciative and grateful for Kim’s efforts!
- **Bylaw Amendments**
  - The last draft version was sent to the Board in January and the Board reviewed the draft.
  - Three (3) changes were suggested for the draft:
    - **Article IV:** “Any two or more offices may be held by the same person, except **that the offices of President may hold only one office and Secretary.**”
    - **Article VIII:** “. . . and culverts involving such roadways and any common areas ~~and water wells~~ so designated as an Association function . . .”
    - **Article XIV:** “These Bylaws may be altered, amended or repealed and new bylaws may be adopted by a majority of the Directors present at any regular ~~annual~~ meeting or at any special meeting, if at least two days’ written notice is given of intention to alter, amend or repeal or to adopt new Bylaws at such meeting.”
  - Following discussion, the Board agreed that the revised Bylaws would be voted on at the June Board of Directors meeting. Further, the proposed amended Bylaws would be included in the notice of the Annual meeting.
    - **ACTION:** Thad will post the agenda for the June Board of Directors meeting on the website and the agenda will include an action item to vote on the adoption of the amended Bylaws.
    - **ACTION:** The notice for the Annual Meeting will include a form where any owner can request the link to attend the Annual Meeting virtually.

### Agenda Item: New Business

- **Approval of Order for New Signs**
  - Kim included information in the board materials outlining the number and cost for the new signs for the Group 3 Secondary Roads.
  - Following the discussion, the Board took the following action:

- **MOTION: To approve the purchase of 46 new signs and two (2) U-channel posts at a cost of \$1,952.80, plus shipping and handling.**
  - Moved by Dennis Van Roekel, Seconded by Larry Schug. **Motion approved unanimously.**
  
- **Landlocked Properties and Travel Trailers**
  - The Board reviewed the draft resolution “Annexation of Properties into Four Hills Ranch POA.”
  - Suggestions were made for modifications:
    - Make clear in the description that it applies to properties with the Four Hills Ranch boundaries.
    - After the revisions are made, have the draft reviewed by the POA attorney.
    - Once the document has been reviewed, make the document public by posting it on the website.
    - Document needs to clearly state that any roads built by owners for access to property will not be the responsibility of the POA for repairs and maintenance.
  - Letters to owners with travel trailers on properties
    - The number of trailers being used for living is increasing and it is a violation of the CC&Rs.
    - As one Board member expressed, the POA is “between a rock and a hard place”. If nothing is done to enforce the CC&Rs, the problem will continue to grow – the issue cannot be ignored.
    - The first of three (3) letters were sent to owners in violation of the CC&Rs. After the first thirty (30) day, if there is no response, a second letter will be sent. If again there is no response, the third letter will be sent from the POA attorney indicating that the issue will be turned over to the county for action. The county will not act until the owner has received three (3) letters.
    - Proceeding with a request for action by the county and going to court would involve fees ranging from \$2,000 - \$5,000.
  - The letter will be shared with realtors in the area.
  - The Board will continue to monitor the addition of travel trailers used as permanent living accommodations throughout Four Hills Ranch.
  - Following the discussion, the Board agreed to the following actions:
    - **ACTION: Thad agreed to develop the next draft of the document and share it with the POA attorney for comment.**
    - **ACTION: Once letter is finalized, Thad will share the letter with area realtors and inform them that they are trespassing when posting “For Sale” signs on landlocked properties.**
    - **ACTION: Thad agreed to contact Martin and Martin to clarify the law as it relates to easements on landlocked properties.**
    - **ACTION: Thad agreed to check to see if there are any active building permits on the properties.**
  
- **Selection of 2021 Annual Meeting Date**
  - June 5, 2021 was selected for the 2021 Annual Meeting. The meeting will be held in-person as well as being available virtually.
  - The 1<sup>st</sup> meeting notice and call for candidates needs to go out on or about April 1, 2021, and the 2<sup>nd</sup> notice, with candidates for office and a ballot, needs to go out on or about May 1, 2021.
  - The terms of current board members Dennis Van Roekel, Sherrian Bloomquist, Tom Makofske, and Larry Schug end in 2021.
  - Suggestion was made to include travel trailer and landlocked properties issues on the agenda.
    - **ACTION: AnnMarie agreed to revive the planning done in 2020 and arrange for the meeting space, technology equipment needed, food and drink, and handouts for the meeting.**
    - **ACTION: Thad and Dennis agreed to work together to develop the draft agenda and 1<sup>st</sup> meeting notice for the Annual Meeting.**
  
- **Participation Form for Virtual Meetings**
  - **ACTION: Thad agreed to post a form on the website along with any meeting announcement to request the information needed for an owner to participate virtually.**

**Agenda Item: Board Administration**

- **Next Meeting Date**
  - June 5, 2021, following the Annual Meeting.

**Agenda Item: Adjourn**

- **Motion: To Adjourn**
  - Moved by Larry Schug, Seconded by Tom Makofske. **Motion approved unanimously.**

**Meeting Adjourned at 11:23 a.m.**