



Four Hills Ranch POA

2022 Annual Meeting

June 11, 2022

Meeting Time: 10:00am – 12:00pm

AGENDA

- Welcome & Introductions
- Demographics & Meetings
- Treasurer's Report
- ELECTION Results
- Roads Report
- Web Site
- Important Current Topics
- Announcements
- Member Participation
- Closing

Welcome & Introductions

- Welcome to our 2022 Annual Meeting!
 - ✓ FINALLY - Back in person, and virtual
- Board Members
 - ✓ President, **Thad Johnson**, *term expires this year*
 - ✓ Vice-President, **Kim Shuey**, *term expires this year*
 - ✓ Secretary – Treasurer, **Dennis Van Roekel**, *term expires 2024*
 - ✓ Member, **AnnMarie Bice**, *term expires this year*
 - ✓ Appointed Member, **Tom Makofske**, *appointment expires this year*
 - *Tom is the longest running member of the Board and an invaluable contributor and steady hand at the wheel. He's been on the Board consistently for 15 years, since 2007*
 - ***Thank-you, TOM!***

Demographics & Meetings

- POA & Membership
 - ✓ 431 Owners, 509 parcels, up 6 parcels from last year
 - ✓ Owner Distribution
 - 53% from AZ
 - 24% from CA
 - 23% from other states and Canada
 - ✓ Full Time Residents: 15 – 25, fluctuates annually
- Association Meeting Schedule
 - ✓ Annual Meeting, usually held early June, date selected by the Board
 - ✓ Board Meetings, usually, 1st or 2nd Saturday in June – September – December – March
 - *Any member can attend – send email to board@4hrpoa.org for link a few days before the meeting.*

High Country Fire & Rescue

- HCFR
 - ✓ Formed in 2008, currently has 3 fire engines, water tender, Command/EMS quick response vehicle, and rescue ambulance.
 - ✓ Not tax-based – supported by memberships (FHR \$5000/yr.)
 - ✓ **Fire Chief: Robert Trotter.** All women and men are volunteers
- Services Provided by HCFR
 - ✓ Available 24/7, 365 days a year
 - ✓ Average 200 – 250 calls per year
 - ✓ Fire suppression, wildland fire suppression, emergency medical services, injury accidents, and CPR training

**Emergency -
Business -**

**Call 911
928-635-9988**

Driving Tips

Bouncing vehicle wheels create dust, reduce driving control and are the main cause of washboards. The best approach to driving on our roads is to take your time and enjoy the view –

- ✓ Minimize hard braking, especially around turns and at intersections; ideally, take your foot off the gas long before reaching a turn and intersection so you won't have to brake at all
- ✓ Go up steep hills slowly, and if you have it, use 4WD to improve uphill traction
- ✓ Keep your top speed to 30 MPH, you'll probably only add a 2-3 minutes to your trip through the ranch
- ✓ Slow down when approaching other vehicles traveling in the opposite direction; pass only if the vehicle in front of you pulls over

The great thing about incorporating these tips into your driving is you'll save fuel, improve safety and your vehicle's suspension and air filter will last a lot longer.

Please remember, cattle, and other wildlife have the right of way!



TREASURER'S REPORT

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Treasurer's Report

- Financial Documents
 - ✓ **2021 – End of Year Financial Report – Posted on Website @ 4hrpoa.org**
- Report Topics
 - ✓ Profit & Loss Statement (Cash)
 - ✓ Balance Sheet (Accrual)
 - Accounts Receivable
 - ✓ Account Balances

Profit & Loss – Year End

| Cash Basis | 12/31/19 | 12/31/20 | 12/31/21 |
|--|----------------------------|----------------------------|---------------------------|
| Total Income | \$ 126,701.43 | \$ 124,084.60 | \$ 144,898.42 |
| Expenses (Major Categories) | | | |
| Signs | \$ 745.62 | \$ 133.91 | \$ 2,196.57 |
| High Country Fire & Rescue | 4,500.00 | 4,500.00 | 5,000.00 |
| Liability Insurance | 1,350.00 | 1,097.00 | 1,097.00 |
| Meetings | 528.86 | 0.00 | 0.00 |
| Mailing, Postage, Printing | 2,179.38 | 2,623.87 | 2,603.73 |
| Professional Services | 11,345.92 | 13,141.60 | 23,801.25 |
| Road Maintenance/Repairs | (97%) 122,934.70 | (114%) 141,331.04 | (73%) 106,405.00 |
| All Other <i>(Mailboxes \$3,050.46)</i> | 4,132.53 | 1,367.61 | 755.40 |
| Total Expenses | (117%) \$147,717.01 | (132%) \$164,195.03 | (98%) \$141,858.95 |
| Net | (\$20,967.15) | (\$40,064.32) | \$ 3,059.05 |

Balance Sheet – Year End

| Accrual Basis | 12/31/19 | 12/31/20 | 12/31/21 |
|--|----------------------|----------------------|----------------------|
| Cash/Equivalent | \$ 174,225.78 | \$ 136,511.18 | \$ 141,268.20 |
| <u>Accounts Receivable</u> | <u>102,113.94</u> | <u>78,226.97</u> | <u>66,878.00</u> |
| Current Assets | 276,339.72 | 214,738.15 | 208,146.20 |
| Total Assets | \$ 276,339.72 | \$ 214,738.15 | \$ 208,146.20 |
| Fund Balances | \$ 311,089.62 | \$ 276,575.72 | \$ 211,200.15 |
| Net Income | (34,749.90) | (61,837.57) | (3,053.95) |
| Total Liabilities & Fund Balances | \$ 276,339.72 | \$ 214,738.15 | \$ 208,146.20 |

Accounts Receivable (Delinquent Accounts)

| | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
|---------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| # of Accounts | 53 | 34 | 37 | 39 | 36 | 26 | 23 |
| Total Balance | \$108,052 | \$97,778 | \$105,901 | \$117,236 | \$102,485 | \$79,080 | \$68,144 |
| % of Income | 96% | 81% | 93% | 105% | 81% | 64% | 47% |
| Income | \$112,998 | \$120,910 | \$113,283 | \$111,194 | \$126,701 | \$124,085 | \$144,898 |

Account Balances

| | 12/31/19 | 12/31/20 | 12/31/21 |
|---------------------------|----------------------|----------------------|----------------------|
| Accounts | | | |
| National Bank Checking | \$ 62,423.43 | \$ 36,839.82 | \$ 43,276.64 |
| Money Market Account | \$ 118,907.50 | \$ 93,952.75 | \$ 93,971.53 |
| FHR/HMR CR Checking 60/40 | \$ 6,629.66 | \$ 3,216.13 | \$ 1,903.33 |
| FHR/HMR CR Reserve 60/40 | \$ 7,221.96 | \$ 7,199.39 | \$ 4,916.72 |
| Total | \$ 195,182.55 | \$ 141,208.19 | \$ 144,068.22 |

2022 Snapshot

| Revenue | Budget | YTD | Percentage |
|---------------------|-----------|-----------|------------|
| | \$130,200 | \$136,303 | 105% |
| Current Assessments | \$115,000 | \$111,470 | 97% |

| Expenses | Budget | YTD | Percentage |
|----------|-----------|----------|--------------------|
| | \$127,700 | \$51,788 | 41% |
| | | | (42% of Year Gone) |
| | | | |

Treasurer's Report – Final Judgements

- **Excellent Fiscal Health**
 - ✓ Strong Balance Sheet
 - ✓ Adequate Reserves
 - ✓ Solid Budget



BOARD ELECTION

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Board Member Election

- Elected by Landowners – requires a majority vote
 - ✓ Quorum: Ballots representing 10% of 509 parcels (51)
 - ✓ Term: 3 years
- Board Appointments - Optional
 - ✓ Term: 1 year
 - ✓ Attend meetings – vote only if quorum not present

Election Results

- 72 of Ballots Received (quorum was achieved)
- Candidate(s) Elected to the Board
 - AnnMarie Bice (re-elected)
 - Thad Johnson (re-elected)
 - Kim Shuey (re-elected)
 - There were 3 write-in candidates, but none received at least 50% of the vote
- Term: 2022 - 2025



ROADS REPORT

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Roads Report

- Four Hills Ranch Roads
 - ✓ 2022 Road Plan
 - ✓ Sign Replacement Project
- Resources for Road Maintenance
 - ✓ Historical Perspective
- Common Roads
 - ✓ 2021-2022 Annual Report
 - ✓ 2022-2023 Annual Common Roads Plan

2022 Road Plan

- **Road Plan Objectives**

- ✓ **Primary Roads** – Blade at least three (3) times annually, add road mix/cinders as necessary
- ✓ **Secondary Roads** - Blade at least once every 3 years, add road mix/cinders as necessary
- ✓ **Hot Spots** - Create an annual list of Hot Spots, schedule repairs as appropriate

- **2021 Activities**

- ❖ *Installed Culverts at Abrazo Pass and Amore Canyon Dr.*
- ❖ *Repaired flood damage at Spring Valley (Red Lake) & Cataract Washes*
- ❖ *Improved hills on W Bright Sky on both sides of the Old Ranch House*
- ❖ *Improvements to Quarter Moon Trail*
- ❖ *Repairs/Improvements to Garnet Mine Road*

- ***Suggestions for 2022?***

- **Road Plan Strategies**

- ✓ Allocate all excess revenue over budgeted revenue to Road Maintenance
- ✓ Continue Sign Replacement Project

**2022
Four Hills
Ranch Roads**

**2022 – Group 3
2023 – Group 1**



Sign Replacement Project

- Detailed List of Missing Signs and Signs Needing Replacement
- 2022 – Purchase Signs and Materials for Group 3 Roads
 - Cost of \$1,757
- 2023 – Purchase Signs and Materials for Groups 1 & 2 Roads

Resources for Road Maintenance

Road Maintenance Expenditures - Including Common Roads

| | | |
|-------------|---|--|
| 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 | \$122,935 | 97% of Total Revenue (\$126,701) |
| 2020 | \$141,331 | 114% of Total Revenue (\$124,085) |
| 2021 | \$106,405 | 73% of Total Revenue (\$144,898) |
| 2022 | \$94,200 Budget – Projected Revenue (\$130,200) (Anticipate \$106,000 - \$108,000) | |

Roads Report – Common Roads

- Road Maintenance Agreement - 2015
- HMR Primarily Responsible Association (2022 – 2025)
- 2021-2022 Annual Report
 - ✓ Financial Report – Year Ending April 30, 2022
 - Balance \$1,059.57
 - Reserves \$4,910.88
- 2022-2023 Annual Common Roads Plan
 - ✓ Increased Budget to **\$21,000** from **\$18,260** (15% increase)
 - ✓ FHR **\$12,600** (60%), HMR **\$8,400** (40%)



WEB SITE

www.4hrpoa.org

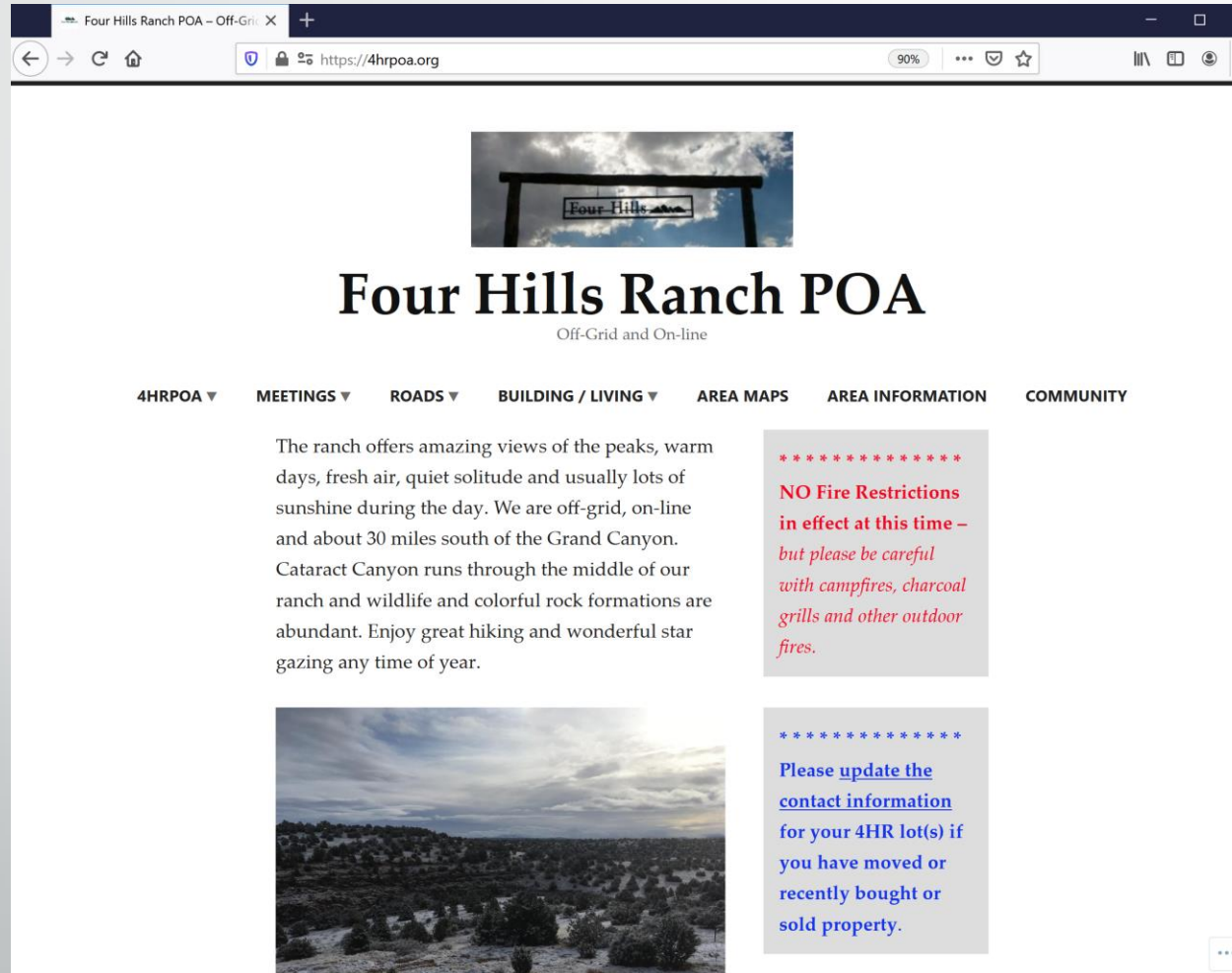
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Useful Pages

- Usage in 2021
 - ✓ Visitors: 2,604
 - ✓ Pages viewed: 10,588
- Most Popular Pages
 - ✓ Maps, POA Documents, Community & Annual Dues
- Other Important Pages to Visit
 - ✓ 4HR Roads
 - ✓ Meeting Schedule

WEB SITE Demo – www.4hrpoa.org





IMPORTANT CURRENT TOPICS

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Properties with No Legal Road Access

- There are 30+ land-locked properties within the Four Hills Ranch boundaries and hundreds more north of the ranch
- The Board has developed a process to allow neighboring land-locked property owners to join the Four Hills Ranch POA -
 - ✓ They will need to adhere to our CC&Rs
 - ✓ They will need to pay an initial “road access” fee
 - ✓ They will need to pay annual dues

CC&R Violations

- Everyone signed up for the CC&R restrictions when they purchased properties in Four Hills Ranch
- The most common and concerning CC&R violations are:
 - ✓ People using travel trailers, RVs and unpermitted structures as permanent residences
 - ✓ Parked travel trailers that are in a state of disrepair and are a potential a fire hazard or leaking toxic substances.
- The Board occasionally works with our attorney to resolve situations not in compliance with the CC&Rs

Past Due Assessment Collections

- About **75% of our members pay their annual dues on time**; less than 3% of our members are late more than 3 years.
- After three years, it makes financial sense for the Association to take legal action to recover past due annual assessments and any legal and administration fees incurred as a result
- We try to work out a payment plan rather than foreclose, but we are prepared to foreclose as a last resort.

Announcements

Reporting Health and Fire Emergencies

Emergency: **Call 911**

Business: **928-635-9988**

Fire Season is Here!

Check the Coconino County web site for
fire restriction updates



MEMBER PARTICIPATION Q & A

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CLOSING

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Miss Kitty's Steakhouse

Williams. AZ

NOTE: THE 2022 ANNUAL MEETING POWERPOINT IS ATTACHED TO THE MINUTES FOR ADDITIONAL INFORMATION.

Call to Order

- Meeting Called to Order at 10:19 a.m. by President Johnson.
- The start of the meeting was delayed due to technical problems with the projector. Participants attending via Zoom were able to view the PowerPoint, but participants at the meeting were not.

Welcome & Introductions

- President Johnson welcomed all participants to the first in-person Annual Meeting since 2019. Both the 2020 and 2021 meetings were held via Zoom
- Board members were introduced, and appreciation expressed for the work they did during the past year.
- Tom Makofske was recognized for his 15th consecutive year of serving on the Board of Directors and his contributions during his years of service.

Demographics & Meetings – Slide 4

- President Johnson reviewed the information on **Slide 4**.
- Approximately 70 properties have changed owners during the past 18 months. FHR now has 509 parcels owned by 431 owners.
- Board meetings are held quarterly in June, September, December, and March. Meeting dates, agendas, and minutes can be found on the Four Hills Ranch website at 4hrpoa.org.

Driving Tips – Slide 5

- Driving tips to avoid causing washboarding and to improve safety were presented to participants.
- **Question:** Are owners encouraged to use their own equipment to work on the roads?
 - o Owners are discouraged from working on the roads. The blade contractor maintains a crown on the road for proper drainage and individuals may alter the shape of the road surface.
 - o Please report any trouble spots to the Association at President@4hrpoa.org
- **Question:** What is the schedule for blading the roads?
 - o The "Roads" section on the website provides the most up to date information.

High Country Fire & Rescue – Slide 6

- HCFR was formed in 2008 and provides fire suppression, emergency medical services, and CPR training.
- Call 911 in the case of emergencies.

Secretary-Treasurer Report – Slides 8 - 14

- The 2021 End Year Financial Report was provided in the meeting packets for in-person participants and is available on the Four Hills Ranch website @ 4hrpoa.org
- Please send any questions regarding the information on the slides to Treasurer@4hrpoa.org.

Board Election – Slides 15 – 17

- Board Member Tom Makofske reported on the election.
- The Bylaws require 10% of all parcels to establish a quorum – the quorum was achieved with 72 ballots, 51 were required. **Elected: Thad Johnson, Kim Shuey, and AnnMarie Bice.**

Roads Report – Slides 19 - 24

- Report included update on the Four Hills Ranch Road Plan, resources for road maintenance, and the Common Roads.
- Owners were asked to contact the POA to report any hot spots and/or areas that need immediate attention.

Web Site

- Due to the technical difficulties, no demonstration on the website was possible.

Current Topics – Slides 29 - 31

- President Johnson presented information and led the discussion on three (3) current topics.
 - Properties with No Legal Access
 - CC&R Violations
 - Collection of Delinquent Accounts

Announcements – Slide 32

Agenda Item: Owner Participation

- Discussion on the following topics:
 - o Cross Country Travel on State Lands.
 - o Possibility of getting decals for owners to place on their windshields.
 - o Vandalism – if it occurs, please notify the Sheriff.
 - o Dark Sky Ordinance.

Meeting Adjourned at 11:57 a.m.