

EVRPOA 2nd Annual Meeting 07/19/08 Minutes (Approved 07/25/09)

Second annual meeting of Elk Valley Ranch Property Owners Association Board of Directors held 07/19/08 at The Grace Inn-Phoenix, 10831 S. 51st St, Phoenix, AZ 85044.

Board Members:

Present: Linda Mattern, James V. Smith

Absent: Michael Phillips

Quorum present: Yes

Others Present: Numerous property owners of Elk Valley Ranch.

Proceedings:

Meeting called to order at 10:04 AM

Minutes from 10/26/07 Board of Directors approved, Jim motioned, Linda seconded.

Old Business:

1. Linda read Proof of Notice of Annual Meeting
2. Linda reported on the issues the Board dealt with over the past year in organizing the Association, including problems with the management company's (Tucson Realty & Trust) record keeping and inaction by the attorney who was replaced recently by Tanis Duncan.
3. Jim explained financial situation to all in attendance, EVRPOA as of June 30, 2008 had \$81,010.00 in cash and equivalents, and were owed \$25,783.44 in past-due accounts.
4. Vice President Michael Phillips resignation from the Board was accepted and approved effective 07/19/08.
5. Approved EVRPOA Financial Report for June, 2008

New Business:

1. All members in attendance voted for the nominees for the Board, and those votes and all mail-in votes were tabulated by Ron Pajor and Linda Peeples. The results were unanimous (46 lots represented, with 46 yes) for the following Board members:

Linda Mattern

James V. Smith

Joe Hindman

2. It was agreed that a complete road survey be taken sometime in approximately September 2008 after the current monsoon season concludes. This survey will be performed by an as-yet-to-be-determined professional with road grading experience, and will incorporate Units 1, 2, and 3 of Elk Valley Ranch.

2a. It was noted that Lot 24 has some bad spots (sinking) in the road.

2b. Richard Atha (Lot #'s 176, 240, 272) commented that Unit 3 “looks good”, and Unit 2 has lots of weeds in the road.

2c. Mr. Atha suggested the following for road service:

Chevelon Grading Co.

PO Box 596

Heber, AZ 85928

928-595-1605 (Randy Brooks) (Approx \$200.00 to \$225.00 per mile)

The Board took this under advisement

3. It was noted by Charles Hager (Lot #93), who bought his property from Mission Equity, that he did not receive a copy of the By-Laws. This was also noted by others in attendance. The Board decided to put a copy of the By-Laws on the EVRPOA website as soon as reasonably possible.

4. Numerous members wanted to know where the collected dues were going, and it was stated by Jim that the Association’s primary purpose was “road maintenance”, as most of the roads were not engineered, but rather simply “cut and bladed” by a bulldozer, recognizing that, in some areas, extensive work will probably be needed to stabilize the bad road conditions, subject to the previously-mentioned road survey.

5. Mr. Pajor complimented the Board for solving numerous problems associated with his and his family’s properties.

6. The Board heard other complaints from property owners about their experiences with Tucson Realty & Trust (TRT). Linda announced that the Board did not intend to renew the Association’s contract with TRT and that the Board expected to receive a management proposal in the next few days from a company that had been highly recommended.

7. Mr. Atha questioned the need for a management Company, and Linda explained that a 3rd party is needed to collect present and past-due Association fees, to send out notices of meetings, to create and maintain a filing system for the Association, to coordinate completion and filing of all Corporate tax returns, to maintain a checking and other bank accounts, to maintain an Accounts Payable and Accounts Receivable system, to prepare monthly and yearly financial statements, and perform other minor functions.

8. It was questioned why the Association needed insurance, and Jim explained the insurance was for common-area General Liability and for the Board of Directors & Officers of EVRPOA.

9. Andy Ryniewicz (Lot #47) asked about a need for future dues increases for road repair, and it was noted that no increase was deemed necessary at this time.

10. It was noted that First United had numerous foreclosures, and associated with these foreclosures were late fees owed to the Association, as well as legal fees and liens placed on the respective properties.

11. Mr. Atha suggested that the By-Laws should be revised to include dues owed to the Association by the old owner. The Board took this under consideration. The Bylaws do not need to be revised because Arizona law addresses this issue. Association dues are personal obligations as well as liens on property.

12. Andy suggested that grading for weed control was unnecessary and undesirable because it destroyed the road base, and the Board agreed to find another way to get rid of the weeds in the roads.

13. Street signs are being installed by Apache County, and the County is also assigning numbers to the streets. It was noted that Unit 1 has most, if not all, of its signs up, some are up in Units 2 & 3 as well. Linda stated that a road map is available at the Apache County offices located in St. Johns, AZ.

14. Mr. Atha questioned the original invoice amount of \$11,138.82 from Dirt Service, LLC, dated 07/10/07, as excessive and stated that they in fact did not grade all 47.62 miles of roads. Jim stated that that invoice was approved and paid by Steve DeBoer, prior to the existence of the current EVRPOA, and therefore was not under our control.

15. Linda provided and explained the 911 Emergency Form available from Apache County.

16. Jim explained the Apache County zoning issues, including referencing articles written in the White Mountain Independent and conversations with Apache County. The zoning issues are still pending approval by Apache County. No further information is available at this time.

17. Questions were raised concerning drilling by Enhanced Oil Resources. It was explained by Linda that all properties in Elk Valley Ranch do not have mineral rights, and Enhanced Oil Resources, or other legitimate drilling and/or mining companies, do have the right to drill on anyone's property in Elk Valley Ranch, provided they return the land to its previous state once they have completed their work. Many in attendance said they did not know they did not have mineral rights. It was also stated that each property owner did have water rights and it was up to each property owner to provide water for themselves. The Association will not provide a community well.

18. Linda announced that the website www.elkvalleyranchpoa.com is up in rough form and will be worked on as quickly as possible. It is the Board's desire for the website to become "information central" . . . a place for property owners to research and share information about their property, the Association, the County, and other pertinent information.

19. Linda asked the meeting attendees whether they would be interested in having a potluck/picnic at the property next year as the forum for the Annual Meeting. The attendees were overwhelmingly in favor of doing so. The Board will research this option.

20. Linda encouraged all property owners to stay in touch with the Board through email. Cards were distributed with the Board's email addresses and the Association's website address.

Meeting adjourned at 11:45 AM by Linda, Jim seconded.

Minutes prepared and submitted by: Secretary/Treasurer, James V. Smith

ADDENDUM

In a subsequent online meeting conducted by email on August 3, 2008, the following were nominated by EVRPOA Board Members to serve as Officers of the Corporation:

Joe Hindman was nominated for Vice President by James V. Smith, seconded by Linda Mattern.

Linda Mattern was nominated for President by James V. Smith, seconded by Joe Hindman.

James V. Smith was nominated for Secretary/Treasurer by Joe Hindman, seconded by Linda Mattern.

In addition, the management proposal submitted by Platinum Management was unanimously accepted by the Board, subject to clarification of a couple minor points. Platinum Management's contract goes into effect on September 1, 2008, with expiration of Tucson Realty & Trust's contract on August 31, 2008. Terms are \$300.00 per month and the contract period is one year.