

EVRPOA 6TH ANNUAL MEETING—MINUTES - Final

Sixth Annual Meeting of Elk Valley Ranch Property Owner's Association Board of Directors held on 07/07/12 at The Hampton Inn, 1501 E. Woolford Rd., Show Low, AZ 85901.

Board Members:

Present: Joe Hindman, Vice President; James V. Smith, Secretary/Treasurer; C.J. Hindman, Board Member; and Chuck Clark, Board Member

Not Present: Linda Mattern; President

Quorum present: Yes

Others Present: Approx. 19 property owners of Elk Valley Ranch.

A. Call to Order / Review of Ballot Packet:

Meeting called to order at 9:10 AM by Joe.

1. Joe welcomed all the property owners present and thanked them for coming.
2. Joe explained that Arizona law governing corporations provides that all voting must be done by Ballot and that no voting or issues could be taken from the floor.
3. Joe presented the Certificate of Mailing and read the Proof of Notice of Annual Meeting and noted that the Notice of Annual Meeting and the Ballot Packet was mailed to all property owners at their address of record by Platinum Management on June 04, 2012.
4. Joe appointed Connie Heard and Dillon Conley to serve as tellers to count the ballots.
5. Minutes from the 07/23/11 Annual Board of Directors Meeting were included in the Ballot Packet and there were no questions asked of the Board regarding the 07/23/11 Minutes.
6. Jim explained EVRPOA's financial situation. EVRPOA, as of April 30, 2012, had \$151,321.95 in cash and cash-equivalents, and were owed \$36,430.10 in Accounts Receivable (mostly past-due accounts). It was also noted by Jim that the Board has proposed to write-off \$7,911.23 to Bad Debt, lowering A/R to \$28,518.87. Administration expenses for 2011, as of May 31, were \$2,545.30. There were no questions asked at this time of the Board regarding finances.
7. Joe informed everyone that Linda Mattern was not present and would be resigning from the Board and as President effective 12 noon 07/07/12.

B. Report of the Board / Old Business:

1. Chuck of the Road Committee stated that the 2011 road repairs were holding up well and all the roads are drivable. This report is prior to the monsoon season of July-September 2012. Joe stated that we would need continuing road work and repairs and that additional Unit 2 & 3 road repairs will be completed after the monsoon season has passed. Chuck last drove the roads on July 06, 2012.
2. Joe also reminded everyone that the best way to control the weeds on the road was to drive on them, and that EVRPOA does not blade the roads for weeds.

3. It was noted that wood poaching has remained reduced, in part by the EVRPOA road signs and also by the assistance of the EVRPOA Road Committee. Poachers have been spotted "passing through" EVRPOA property, but it is believed that they are going to and/or coming from State Trust Land. The Board again reminded all in attendance that the best way to discourage wood poaching was for each property owner to fence their property and to post "No Trespassing" signs.

4. Joe provided an update to the sale of the Bettes' property which had been completed by the Apache County Sheriff's Office for the amount of \$1,000.00. However, this sale was improperly handled and the Board is currently trying to resolve this situation through legal means involving our former EVRPOA attorney.

5. Joe noted that EVRPOA has 13 filed liens on Elk Valley Ranch properties, and of these, 3 have paid-in-full and 3 lien releases have been recorded.

6. Joe noted that the Apache County agricultural exemption (reduced property tax rate) that was available to property owners is probably no longer available. Apache County has placed a hold on all applications, and was only granting the exemption to new property owners or those owning property for 6 months or less. It is thought that this exemption will eventually be phased-out entirely.

7. It was noted that at our 2011 Annual Meeting, we had discussed "selling" delinquent accounts to a 3rd party for collection. After examining this issue, the Board decided that it was not equitable to "sell" these accounts, and collections would be handled by Platinum Management, EVRPOA, and EVRPOA's attorney, if necessary.

C. New Business:

1. Ballot results were 43 in favor and 0 against regarding the following measure:

1a) Approving the 7/23/11 Annual Meeting Minutes

2. Connie Heard asked the Board if we knew anything about the primary and secondary home property tax reporting requirements now in place in Apache County and the State of Arizona. It was mentioned that the reporting requirements supposedly concerned rental property and she was referred to the Apache County and/or State of Arizona tax departments. It was also noted that Apache County government offices in St. Johns were closed on Fridays.

3. A property owner asked for recommendations on a fencing company. It was noted that the Board does not provide recommendations for any type of contracted work, including fencing, grading, electrical, well issues, home preparation and installation, etc.

4. It was mentioned by Linda Peebles that a "new" road has appeared off 6002 Rd, named "Anastasy," and asked if that was an EVRPOA road. It was noted that it was probably a Woodland Valley road and sign, and it was not part of EVRPOA property.

5. CJ asked the group how many had visited the website, and approx. 10 property owners indicated they had.

6. It was noted that the current Board of 4 Members would reorganize to replace Linda Mattern, and that the Board would send out mailers asking for volunteers to join the Board at a future date before next year's Annual Meeting. Being an even number of 4, any Board votes that result in a tie of 2 for and 2 against, will have the effect of voting down the motion. The Board hopes to get an additional Member to avoid this situation.

7. Property owner Charles Bell asked many questions of the Board upon his late arrival to the meeting.

7a) What do the yearly dues cover? Jim explained to Mr. Bell that the dues primarily cover road repairs and maintenance, that the roads were not engineered when they were originally “cut-in,” and that extensive work is sometimes needed due to poor design, flash flooding, installation of new culverts, repairs and/or replacement to/of existing culverts, re-grading and resurfacing, and other issues that may arise. A small percentage of EVRPOA dues goes to Platinum Management, legal fees, insurance, tax reporting, mailings, and other expenses. These are detailed in the financial statements available to and provided for all EVRPOA owners.

7b) Why aren't the roads graded in Unit 2? Joe responded that the roads are graded on an as-needed basis for repairs, not for weed control, and that Chuck had driven all of the roads on July 06, 2012 and found them to all be in driveable condition.

7c) What is the Board doing with all the extra money they have? Joe explained that we keep money in reserve for future road work and especially for emergency situations that may require extensive road repairs on an urgent basis, which would be much more expensive than planned and/or continuing road work.

7d) Mr. Bell suggested that the Board installs a community well. Jim informed Mr. Bell that this issue was discussed at the 07/19/08 EVRPOA Annual Meeting and, due to numerous legal, liability and logistics issues, the Board decided that EVRPOA would not install a community well.

7e) Mr. Bell then abruptly left the meeting.

8. Curtis & Linda Peebles stated they were comfortable knowing that EVRPOA has reserve funds for issues that may arise, as were most others in attendance. They also asked who shows First United property for sale, and it was noted that either a First United representative or private real estate agent would be most likely.

9. It was asked for a Board recommendation for a well contractor, and it was again noted that the Board does not recommend contractors, as previously discussed.

Motion To Adjourn at 10:10 AM by Joe, Jim seconded.

Minutes prepared and submitted by: Secretary James V. Smith