

**Elk Valley Ranch Property Owner's Association
Annual Meeting Minutes 07/09/16
Show Low, AZ**

EVRPOA 10TH ANNUAL MEETING—MINUTES (Draft Copy)

Tenth Annual Meeting of Elk Valley Ranch Property Owner's Association held on 07/09/16 at The Hampton Inn, 1501 East Woolford Road, Show Low, AZ 85901.

Board Members:

Present: C.J. Hindman, President; James V. Smith, Vice President/Secretary

Not Present: Michele Clark, Treasurer; Kara Granillo, Member

Quorum present: Yes

Others Present: Approx. 9 property owners of Elk Valley Ranch.

1. Call to Order:

Meeting called to order at 9:30 AM by CJ.

CJ welcomed all the property owners present and thanked them for coming.

2. Proof of Notice of Annual Meeting and Certificate of Mailing:

Jim 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 were mailed to all property owners at their address of record by Platinum Management on June 01, 2016.

3. Review of 2015 Annual Meeting Minutes:

Minutes from the 07/11/15 Annual Meeting were included in the Ballot Packet/meeting notice and there were no questions asked of the Board regarding the 2015 minutes.

4. Report of the Board:

a) Nominating Committee: The members of this committee are Kara Granillo, Chair, and Michele Clark. The Nominating Committee mailed to all owners, and posted on the website, a Call for Volunteers notice in June. There were no volunteers in response to the mailing or posting. Subsequently, the Nominating Committee placed the 4 existing Board members up for election/re-election.

b) Treasurer's Report:

i) CJ reviewed the latest EVRPOA Financial Statement of June 2016, (which was current) superseding the April 2016 statement that was provided to all property owners in the Annual Meeting mailing packet, as follows:

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ASSETS:

Wells Fargo Operating	\$ 92,846.31
Wells Fargo Reserve	31,193.61
Wells Fargo CD	<u>21,685.77</u>
Total: Checking/Savings	\$145,725.69
Accounts Receivable	35,714.28
Undeposited Funds	<u>0.00</u>
 TOTAL ASSETS	 <u><u>\$181,439.97</u></u>

LIABILITIES & EQUITY:

Current & Long-Term Liabilities	\$ 0.00
Equity	
Opening Balance Equity	50,778.12
Retained Earnings	116,194.38
Net Income	<u>14,467.47</u>
 TOTAL LIABILITIES & EQUITY	 <u><u>\$181,439.97</u></u>

ii) CJ reported on the progress made on the accounts receivable. Eight liens have been paid up to date and removed in the past 15 months. One particularly high account overdue has been settled and regular monthly payments are being received.

iii) CJ reported that the Board has agreed to maintain a reserve of funds of \$100,000 as contingency for unexpected road repairs. (Please see the new business section for discussion had about the annual budget.)

c) Road Committee Report:

- i)** As was previously noted, the Board has retained an Independent Contractor, Ted Newman, to monitor all EVRPOA roads.
- ii)** Ted will inspect all EVRPOA roads twice per year (Spring and Fall).
- iii)** He is available to inspect damage requiring emergency repairs.
- iv)** Perkins Cinders from Show Low is our current road maintenance and repair company.
- v)** EVRPOA has no requirement to maintain County or Rancher roads. However, the Board has agreed to maintain approx. 3 miles of Road 6001 which is on Rancher property because of the severe damage that has occurred since no one has done any regular maintenance on this section. This section of road has been hazardous to access certain portions of Unit II and Unite III.

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vi) CJ reminded everyone that there are 52+ miles of EVRPOA roads, and EVRPOA does not grade weeds.

vii) Long term (3-5 years), the Board has decided to be proactive regarding the roads and will begin to “crown” and repair all roads to reduce future maintenance and repair costs. This will be an ongoing project.

d) President's Report/Old Business:

i) Insurance: The Board has renewed the General Liability insurance policy for EVRPOA. However, it was noted that the prior year's policies did not include Units II or III. The new policy includes all 3 EVRPOA Units, at an increased cost. The total cost for 2016-2017 is \$2,457.00. This policy also includes Errors and Omissions coverage for the Board members.

ii) Board of Directors Changes:

Due to the lack of participation from members of the POA, and that several of the current Board members have given notice that they will be resigning soon, the Board has decided to recommend the following changes which are consistent with the POA Bylaws:

a) Reduce Board membership to a 3 person Board.

b) The Board of Directors will serve in an “oversight” capacity. All major decisions must be approved by the Board, such as annual budget, changes in vendors, significant expenses, etc.

c) The contract with Platinum Managements will be increased to handle the day-to-day operations of the Board, including scheduling and facilitating Board meetings and the Annual Meeting; taking minutes, posting notices, website postings, filing of liens, etc., in addition to the duties they are currently performing.

d) Platinum's monthly fee will increase due to their expanded responsibilities. Currently, Platinum charges EVRPOA \$300.00 per month. The new fee will at least double and has yet to be determined, plus additional fees for travel time, Board meetings, lien filing, etc.

e) The POA attorney will continue to be Brenda Lee, Esq.

f) The Board will vote on this recommendation at the Board meeting to follow this Annual Meeting. It will be our intention to implement the new changes effective October 1 of this year. All those interested are invited to stay for that meeting.

iii) There was open discussion held on the above proposed changes. Questions were answered. It was clarified that if Platinum was not timely and customer friendly with these new responsibilities the Board always has the option to change vendor, or revert back to the current

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responsibilities. It will only require a Board vote and 30 day notice to Platinum. A straw vote of the members in attendance was strongly in favor of this proposal.

5. Announcement of the Vote for 2015 Annual Minutes Approval and Board of Directors:

a) Ballot Results:

The vote includes those in attendance plus those ballots mailed back. The results were:

*Approving the 07/11/15 Annual Meeting minutes.

*The following were re-elected to the Board for 2016-2017:

CJ Hindman, James V. Smith, Michele Clark, Kara Granillo

6: New Business:

a) During the discussion of the proposed changes to the Board operations it was pointed out that the annual assessment (dues) of the Elk Valley Ranch Property Owners Association have never been raised and are currently at \$160 per parcel owned per year. It was also noted that due to the increase in insurance premium, increase in projected annual road costs, and increase in fees to Platinum Management, that the Board feels there will be a needed increase in the annual assessment for 2017. The exact amount of the increase will be determined in November, but will probably be in the 10-15% range.

7. Questions and Answers:

There were no other questions.

8. Adjourn:

Meeting Adjourned at 10:09 AM by CJ

Minutes prepared and submitted by: Vice-President/Secretary James V. Smith