

Board of Directors Meeting 04-26-14 Minutes (Approved 07/26/14)

I. Board of Directors Meeting: A meeting of the EVRPOA Board of Directors was conducted on April 26, 2014 in Show Low, AZ. The meeting was **called to order** at 11:12 AM by CJ Hindman.

The following Members were present:

CJ Hindman – President

Chuck Clark – Vice President

James V. Smith – Secretary

Joe Hindman – Treasurer

Michele Clark – Member

The following Property Owners were present:

Bob Clark

Vince & Kyle Silveroli

Quorum Present: Yes

II. 12/06/13 Board Meeting Minutes:

A. Motion to approve the minutes from the 12/06/13 Board of Directors Meeting. Joe motioned, Chuck seconded, unanimous approval: Motion Passed

III. Treasurer's Report:

A. Joe reviewed the current EVRPOA Financial Statement (March 2014), as follows:

ASSETS:

Wells Fargo Operating \$ 37,129.70

Wells Fargo Reserve 79,662.83

Wells Fargo CD 21,612.55

Total: Checking/Savings \$138,405.08

Accounts Receivable 41,116.94

Undeposited Funds 1,270.00

TOTAL ASSETS \$180,792.02

LIABILITIES & EQUITY:

Current & Long-Term Liabilities \$ 0.00

Equity

Opening Balance Equity 50,778.12

Retained Earnings 80,044.15

Net Income 49,969.75

TOTAL LIABILITIES & EQUITY \$ 180,792.02

Note: The Treasurer's Report was accepted by the Board by acclamation.

- i) Some Board members need Dec-Feb financials, Joe will check w/Platinum.
- ii) A property owner owning many lots is in arrears, Joe will check w/Platinum.
- ii) Jim motioned to accept the Financial Report, CJ seconded, all unanimous: Motion Passed

B. Update On Overdue/Arrears Accounts:

- i) 1 property owner is past due on 22 lots. Joe will check with Sarah @ Platinum.
- ii) The Board agrees that it needs a current lien list (from Platinum) at each BoD meeting.

C. Discussion: Money Management & Accounting:

- i) All First United property's dues are up-to-date.
- ii) There are no previous liens that we know of filed on property now owned by First United.
- iii) A current list of all properties with liens is needed. Joe will get this from Sarah at Platinum.

D. Policy For Handling Past-Due Accounts:

- i) Refer to the approved minutes from the 12/06/13 BoD meeting for details.
- ii) The Board agrees that it needs a current accounts aging list for each Board meeting, and is the Treasurer's responsibility to have this information available.

E. EVRPOA Insurance Policy: The Board discussed the current EVRPOA insurance policy, as follows:

- i) The Board was concerned about the cost of the current annual policy, as EVRPOA's only potential liability is for the 52 miles of EVRPOA roads, as there are no other "common areas."
- ii) Upon consultation with EVRPOA's attorney, EVRPOA could potentially be liable as "owners" of the roads.
- iii) The Board agreed to keep the current insurance policy in effect.
- iv) It was also agreed to explore the suggestion of adding new "warning" signs to existing EVRPOA road signs, with a notice (similar to): "WARNING: PRIMITIVE ROAD. USE AT YOUR OWN RISK" as an alert.
- v) The attorney recommended the Board investigate whether Apache County considers, all EVRPOA roads are County roads. If so, this could possibly shift road liability to Apache County. Chuck will attempt to get something from the County in writing regarding this to present to the next BoD meeting. This is an open item that will be discussed at the next BoD meeting in July 2014.

IV. Road Committee Report:

A. Road Committee Report:

i) Chuck reported that all EVRPOA roads are stable and without need of work as we had a very mild winter and all roads will be reassessed after this year's monsoon season.

V. Old Business:

A. Website Update: Jim reported that the website is functioning normally and the home page has been streamlined for efficiency. Some maintenance is also periodically performed.

B. Architectural Committee-Proposal:

i) According to the EVRPOA attorney, an "Architectural Committee" needs to be considered by the BoD to enforce CC&R issues.

ii) This committee will not be a venue to resolve property owner "neighbor" issues. The function of the proposed Architectural Committee should only be an arbitrator and/or decision maker to enforce CC&R's.

iii) The Architectural Committee can also recommend to the BoD a waiver to CC&R's if requested by an owner and supported with justification.

iv) A question was raised about enforcing EVRPOA's CC&R's and it is thought the procedure for such could be found in the Arizona Revised Statutes (ARS).

v) CJ prepared a "charter document" to establish this committee and outlining the duties, responsibilities and structure of the Architectural Committee. This document is under review and will be revised accordingly before the next BoD meeting in July 2014.

C. Status Report of EVRPOA's CCR Voting and Ballot Count:

i) CJ reported that no ballot issues passed, so all CC&R's will remain as is.

ii) The voting process was very complex and CJ was present when the votes were tallied by Platinum Management.

iii) The actual ballot count was:

Total Ballots sent first mailing— 298 Total Ballots re-sent second mailing— 24

Total number disqualified 28 (dues in arrears, or returned with no forwarding address, or refused delivery)

Therefore number of valid ballots delivered to owners was 270, (298 minus the 28 disqualified)

Total ballots received with votes, and counted — 136

See the attached spread sheet for the totals for each of the 17 proposed changes. It is noted that First United Realty and the Bronstein Family Trust sent back a total of 58 ballots all marked "NO" on each of the proposed changes. Since these two entities clearly controlled the vote, no effort was made to do the onerous "per acre" required calculation.

All proposed changes to the CCRs were defeated by First United Realty and the Bronstein Family Trust.

iv) Also, First United Realty asserted that they have reverted back to the “9 votes per acre as developer property” which they were originally granted by the CCR as the “Declarant”. The Board feels that this is no longer valid since those lots were sold and then foreclosed upon, and the Declarant passed all responsibility and accountability for the POA to the Owner based POA in 2007. This is an ongoing issue between the BoD and First United Realty; and the Board is being advised by EVRPOA’s attorney.

v) The Board engaged in much discussion concerning this topic and CJ motioned to proceed with EVRPOA’s attorney to pursue the Board’s contention that First United does not have the authority to invoke the “9 votes per acre as developer property” clause they have tried to invoke. Joe seconded, vote unanimous. Motion passed.

D. Kinder-Morgan (K-M) Update:

i) It was again noted that K-M still has not provided nor signed a road maintenance agreement as they had previously agreed. EVRPOA’s attorney is in contact with K-M regarding this issue and it was noted that K-M owes EVRPOA \$3,000.00 to date.

ii) It was suggested at the 2013 Annual Meeting that EVR property owners consider the formation of an “Action Committee” (by property owners only as this will not be a Board committee or function) to deal with issues and concerns that arise regarding K-M and individual lots. The Board has decided to provide, on the EVRPOA website, a reference to a contact person(s) for the “Action Committee,” but not an actual link.

iii) In regards to this, property owner Vince Silveroli has established the Elk Valley Ranch Property Owner’s Group and hosts a Facebook page with information regarding K-M.

iv) Jim will post a non-active link to the Facebook page on EVRPOA’s website.

VI: New Business:

A. 2014 Nominating Committee:

i) The Nominating Committee for 2014 has been selected, comprising of Chuck Clark and Joe Hindman.

ii) A ‘Call To Volunteer’ notice and questionnaire will be mailed to all property owners and also be posted on the EVRPOA website by May 5, 2014.

B. 2014 EVRPOA Annual Meeting:

i) The 2014 EVRPOA Annual Meeting will be held on Saturday, July 26, 2014 at the Hampton Inn in Show Low, AZ. Check-in will begin at 8:30 AM and the meeting will begin at 9:00 AM.

ii) The Annual Meeting Notice and Ballot will be mailed and posted on the EVRPOA website by June 12, 2014.

C. Board of Directors Meeting July 26, 2014

i) The next Board of Directors meeting will take place immediately after the Annual Meeting on July 26, 2014. All EVR property owners are welcome to attend the BoD meeting.

D. Joe Hindman has stated that he intends to retire from the BoD after his term is up on July 26, 2014.

There was no other new business.

VII: Meeting adjourned at 12:56 PM

Minutes prepared and submitted by: Secretary James V. Smith