

# Elk Valley Ranch

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## Property Owners Association

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### EVRPOA 2017 COMMUNITY MEETING—NOTES

In lieu of Elk Valley Ranch Property Owner's Association Annual Meeting, a community meeting was held on June 24, 2017 at The Hampton Inn, 1501 East Woolford Road, Show Low, AZ 85901.

An attempt was made to have an Annual meeting of the membership. Quorum was not met. 30 of 298 lots were represented either by mail in ballots or owners present. Therefore, the BOD decided to continue in an informal meeting so as to inform those present of the current state of the association.

Approx. 11 total property owners of Elk Valley Ranch were present.

I. 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. It was explained that quorum was not met and the Annual Meeting was not going to be held. Instead a community meeting would take its place in order to accommodate the members that made the trip. All questions and concerns would be addressed.

II. Welcome and Introductions:

Present: C.J. Hindman, President; James V. Smith, Vice President/Secretary, and Grace Fernandez, representative of Platinum Management, Inc.

Not Present: Michele Clark, Treasurer; Kara Granillo, Board Member (resigned April 2017).

III. State of the Association--Board of Directors

The Bylaws of the POA allow a Board of a minimum of three (3) members and a maximum of five (5) members. In approximately 2009 the Board voted to increase the Board to 5 members. The lack of qualified volunteers to serve on the Board has forced the current Board to operate with four (4) volunteers for the past 3 years. In April one person resigned leaving 3 Board members. The BOD voted last year to reduce the Board to three (3) volunteer members as part of the transition of certain tasks to Platinum, effective October 1, 2016. This change was noted at last year's Annual Community meeting. The current Board hasn't encountered any problems in running the association with three (3) members since that time.

The current members of the Board of Directors have agreed to continue serving on the Board.

IV. The 2016 Financials were explained by Grace Fernandez  
ASSETS:

Wells Fargo Operating	\$50,373.90
Wells Fargo Reserve	\$31,201.47
Wells Fargo CD	<u>\$21,699.41</u>
Total: Checking/Savings	\$103,274.78
Accounts Receivable	<\$20,512.70>
Undeposited Funds	<u>\$380.00</u>
 TOTAL ASSETS	 <u><u>\$83,142.08</u></u>

LIABILITIES & EQUITY:

Current & Long-Term Liabilities	\$ 0.00
Equity	
Opening Balance Equity	\$50,778.12
Retained Earnings	\$ 88,876.76
Net Income	<u>&lt;\$56,512.80&gt;</u>
TOTAL LIABILITIES & EQUITY	<u><u>\$83,142.08</u></u>

A) CJ wanted to point out that there are several property owner accounts in arrears. With Platinum Management taking over more management tasks, collections will be one of their main focuses. The next BOD meeting, which is scheduled for July10, will be addressing those accounts/issues in detail.

B) As explained every year, the biggest expense for the POA is the maintenance of the roads. The roads are of the highest priority. The roads are inspected twice every year and more often if needed.

Last year's decision to change the road maintenance schedule has resulted in major repairs instead of multiple minor repairs. The design and structural engineering issues are being addressed and the BOD hopes that within the next five (5) years the road expense will be for actual maintenance instead of constant repairs. This is an ongoing project. Any road issues identified by property owners will be reviewed by the Board.

C) The BOD informed the owners that a \$100K cushion in our bank account for the roads is a necessity. With all the rains from last year and the constant repairs the BOD feels secure in being able to address any issues with money in the bank and thereby, hopefully, avoiding any special assessment for unexpected road repairs.

V. Open Forum

A property owner wanted to know Platinum Management's role within the Association. Is Platinum on the BOD? CJ made it clear to those present that Platinum Management is not in control of the association and Platinum cannot serve on the Board. Platinum Management is the "middleman" and takes all directives from the BOD. Since the transition from accounting only to full management Platinum has impressed the BOD with the quality of their work. Jim also stated that Platinum Management has been instrumental in educating the board further and was very happy with the quality of service thus far.

A request for additional signage was made. The signs would alert drivers of approaching dead end and actual designated roads and not trails. CJ requested that those areas be identified for the Board to consider.

Does the BOD expect a higher expense on the roads than last year? CJ explained with all the work that was done since the change in schedule the cost will hopefully be less next year. The unknown is always the possible weather related damage to the roads. This year's expenses have been a bit higher but this is because of fixing the weather damage, improving the road structure by addressing drainage and crowning the surface, and the road inspections. The plan for next year is a \$50K road budget.

There was concern about poaching/hunting, and vandalism on properties. CJ commented that the best way to combat those issues is to fence your property if you are able. By not having your property fenced it is considered open range for grazing cattle and an easier target for wood poachers.

Has fracking continued in the area? No fracking is occurring in Apache County at this time, to the best of our knowledge. Certainly, there is none on EVR property.

The property value of properties is continually fluctuating, does the BOD know why? Probably due to no real market at this time is the best guess. The BOD does not have any market information.

What is the footage of the easements from the roads? The road easement is 30 feet. On any specific lot it depends where the property survey pin is located whether the road easement is from that lot or the contiguous lot. Fencing easements are a different issue and are clearly defined in the CCRs.

CJ wanted to remind the property owners that the BOD consists of three members and if anyone is interested, and qualified, in serving on the BOD they will be considered as needed.

That ended the open forum. With no further questions CJ adjourned the community meeting at 10:23 am.

Respectfully submitted,

Grace Fernandez  
Association Manager  
Platinum Management  
For the Elk Valley Ranch Property Owners Association