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Elk Valley Ranch

Property Owners Association

P.O. Box 14198 Tucson, AZ 85732 Phone: (520) 623-2324 Fax: (520) 722-5039

EVRPOA 2018 ANNUAL MEETING MINUTES

Elk Valley Ranch Property Owner's Association Annual Meeting was held on April 28, 2018, at The Hampton Inn, 1501 East Woolford Road, Show Low, AZ 85901.

- I. Call to Order:
Meeting called to order at 9:30 AM by CJ Hindman. He welcomed all the property owners present and thanked them for coming.
- II. Proof of Notice:
James V. Smith stated that a meeting notice was sent out on March 20th to all lot owners.
- III. Establishment of Quorum:
Quorum was met. 36 of 295 lots were represented either by mail in ballots or owners present. Eight property owners of Elk Valley Ranch were present.
- IV. Welcome and Introductions:
C.J. Hindman, President, has been on the BOD for a total of 9 years. He has acted as BOD President for the last 8 years.

James V. Smith, Vice President/Secretary has been on the BOD since 2006.

Michele Clark, Treasurer has been on the BOD for 5 years.

Alisha Smart, representative of Platinum Management, Inc. was introduced and has been managing the Elk Valley Ranch POA since September, 2017. All homeowners in attendance introduced themselves and stated the timeframe they have owned lots in the community.
- V. Review of 2017 POA Annual Community Meeting Notes:
The 2017 community meeting notes were taken because a quorum was not met for the Annual meeting. These are not official minutes; there was no voting. They are for information only.
- VI. Report of the Board:
 - a) Nominating Committee Report: The Board functions as the nominating committee. Michele Clark has been chair of the committee. The current

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members of the Board of Directors have agreed to continue serving on the Board if elected.

- b) Treasurer's Report: The 2017 Financials were explained by Michele Clark. No significant change to the annual budget. There was an increase in cost for legal services. As of December 31, 2017:

ASSETS:

Wells Fargo Operating	\$35,478.87
Wells Fargo Reserve	\$31,217.07
Wells Fargo CD	<u>\$21,734.66</u>
Total: Checking/Savings	\$88,430.60
Accounts Receivable	<\$20,736.59>
Undeposited Funds	<u>\$11,370.00</u>
 TOTAL ASSETS	 <u><u>\$79,064.01</u></u>

LIABILITIES & EQUITY:

Current & Long-Term Liabilities	\$ 0.00
Equity	
Opening Balance Equity	\$50,778.12
Retained Earnings	\$ 31,822.96
Net Income	<u><\$3,537.07></u>
TOTAL LIABILITIES & EQUITY	<u><u>\$79,064.01</u></u>

No questions were asked regarding this report.

- c) Road Committee Report: The road work report was discussed by CJ Hindman, BOD President. Ted Newman performs an inspection twice a year of the roads. All EVR roads were inspected during the past year.

Unit 1 – All roads are in good condition in this unit due to gravel being added to cr6510 at the first culvert and grading done in the fall of 2017.

Unit 2 – North & South; All roads are in good shape due to lack of rain and snow this winter. The culvert at the junction cr6473 and cr6474 will be repaired and marked with posts & reflectors at each end.

Unit 3 – No work is required at this time.

CJ Hindman has asked for owner's feedback on the roads. He indicated that if any homeowner sees repair that needs to be done to contact Platinum Management. The contact information is under Road Repairs on the EVRPOA website.

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- d) President's Report: CJ Hindman, Board President, stated that the reserve account is based on historical data and this is the basis for how the money is allocated to the reserve accounts. The roads are the major factor affecting our budget. There are 52 miles of road within the community that needs to be maintained.

The Board of Directors (BOD) decided several years ago to try to maintain a minimum bank balance of \$100,000. This will allow major repairs in a year of heavy weather damage without needing to have a special assessment of property owners.

The other major factor affecting our budget is delinquent payments of the annual assessment. The Board is responsible to deal with this issue.

CJ reminded everyone that Elk Valley Ranch POA expanded the contract with Platinum Management in late 2016. It was then explained the role Platinum Management has regarding managing the Association. CJ stated his belief that it was a good decision to expand the contract with Platinum. Carpenter-Hazelwood is a firm that Platinum contracts with to deal with delinquent accounts. The process Carpenter-Hazelwood follows when lots become delinquent was explained in detail. The process starts with Platinum Management sending out the first series of three letters. The BOD had previously (before expanding to Platinum) agreed for the collection process to start at a threshold of \$500 overdue but has since decided that this process will now start at 90 days past due, regardless of amount. When appropriate, the BOD would agree to extra levels of effort initiated, for example using a lien on the past due property for the amount owned. The Board is relying on Platinum, and Carpenter-Hazelwood to administer all collection efforts, However, the Board will be providing oversight of the entire process, and final approval before any foreclosure proceeding will be pursued.

Currently, there are 38 lots within the community owing below \$500, and 28 lots within the community owing above \$500. The total lots delinquent in payment represents about 22 % of the total ownership.

VII. Election of Directors:

After review of the ballots, it was confirmed by Alisha Smart a total of 35 for and 1 against the current BOD members. All Board members have been re-elected for another term.

VIII. Open Forum:

A property owner wanted to know if the first seller of a lot took the property back, would all the assessments of unpaid dues be cleared off. CJ Hindman, BOD

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President, explained that when First United made loans to EVRPOA lot owners and then then they became unpaid, the lots did go back to the first owner with zero balance. This only applies to First United. Loans from other lenders do not have that clause to allow discounting the overdue POA balance.

A property owner wanted to know if the balances that are being cleared off are being tracked. Michele Clark, Treasurer stated that collection can only go back seven years. After three years of inactivity by the POA, the liens are cancelled and unfortunately nothing can be done about that.

Alisha Smart passed the Question and Suggestion forms that were received to CJ Hindman for review. He addressed the issues from those documents.

James Smith, Vice President/Secretary, stated that with the roads and drainage problems – trying to engineer the road that was not designed correctly in the first place, our primary focus is for road repair.

A property owner inquired into the status of repair of the roads and then specifically the status of Unit 3 and when engineering repairs will be done. Unit 1 has been completed, and we are in the process of working on Unit 2. Until 3 will be a couple years before it is worked on.

A property owner inquired into where the road information can be found, and CJ provided the EVRPOA web address <http://elkvalleyranchpoa.com>.

A property owner asked if there was a way to find out what lots were for sale or had been foreclosed on. CJ indicated the county website as one possible source, as well as being able to just drive around the area and look for actual ‘For Sale’ signs.

CJ Hindman asked the attending lot owners for their opinion regarding the next annual meeting so that more people could be in attendance. The lot owners in attendance and the board agreed that July would be a better month to meet next year.

IX. Adjournment:

With no further questions CJ adjourned the community meeting at 10:20 am.

Respectfully submitted,

Alisha Smart
Association Manager
Platinum Management
For the Elk Valley Ranch Property Owners Association