



**The Ranch at Prescott
HOA Council Meeting Minutes
August 23, 2012**

ATTENDANCE

Council members in attendance were Dick Tetreault-Unit VII (Chairman), Kent Robinson-Unit V (Vice-Chairman), Mike Enders-Unit IV (Secretary-Treasurer), Russ Parker-Unit III, Rich Muth-Unit VI, Maxine Tinney-Unit VII and Scot Lee-Unit IX. Alternate Council Members in attendance were Emese Sandor-Unit III and Bob Tinney-Unit VII. Also attending were homeowners Juliana Goswick, Terry Mameda and Wayne and Marianna Hunt, Tim Graves, HOAMCO Association Manager and Donna Forster, Minutes Taker.

CALL TO ORDER/ESTABLISH A QUORUM

Dick Tetreault-Unit VII (Chairman) called the meeting to order at 3:04 pm. A quorum was established. Guest speaker Juliana Goswick, Fund Development Chair for Big Brothers/Big Sisters (BBBS), was introduced and gave a presentation on mentorship, volunteerism and the benefits and rewards of working with youth at or below poverty level. Juliana distributed information about BBBS to the Council and invitations to a social gathering at her home on October 18, 2012 for appetizers and a get-together. Juliana also invited all present to a Community Artist's Reception to be held at the Compass Bank on August 23, 2012, 5:30-7 pm. Juliana thanked the Council for their time and left the meeting.

APPROVAL OF MINUTES

Motion: Mike Enders-Unit IV moved to accept the May 24, 2012 meeting minutes as presented. The motion was seconded by Scot Lee-Unit IX and passed unanimously.

APPROVAL OF FINANCIALS

The Council reviewed the Financial Reports for the periods ending 5/31/12, 6/30/12 and 7/31/12. July accounting is summarized as follows:

Operating Account CAB	\$ 17,731
MM Account (Operating)	\$ 74,109
CD Operating Accounts	\$ 238,727
Bank Reserve Account	\$ 34,072
Construction Deposit	\$ 18,502
Accounts Receivable Assessments	\$ 4,358

Motion: Kent Robinson–Unit V moved to approve the 5/31/12, 6/30/12 and 7/31/12 Financial Reports as presented, subject to audit. The motion was seconded by Mike Enders-Unit IV and passed unanimously. Kent Robinson–Unit V noted that a financial audit will take place this year, using Douglas Gray, the same company as last time. Kent, Mike Enders-Unit IV and Tim Graves will speak with the auditor to assist with any questions and the auditor will focus on compliance.

PUBLIC COMMUNICATIONS

a. Homeowner Terry Madeda-Unit IX, at the last Council meeting, had requested the Council look into having a “No Through Street” sign posted in his cul-de-sac. Tim Graves contacted the City and was informed that the City would assess the situation and was open to installing a sign. Terry also noted he will inform Tim about the lots in his area needing maintenance. Wayne Hunt, 607 Heather Brook, noted the property in back of his home was a health concern, with brush, rodents and mosquitoes. Dick Tetreault-Unit VII requested that Wayne send an email to him or Tim Graves with the details.

OLD BUSINESS

a. Agenda/Minutes Development and Posting Protocols - Kent Robinson–Unit V & Maxine Tinney-Unit VII: Kent Robinson–Unit V reported the operating document, “Meeting Agenda/Minutes Development, Distribution and Posting” had been adopted on 5/20/12.

b. Blind Curve on Mystic and West Lee Boulevard: Tim Graves reported that the City Street Engineer did survey the corner and did not believe that a sign or stripe in the road was necessary. It was suggested that trimming the trees on the private property might help. Tim Graves and Dick Tetreault-Unit VII will work on a “friendly” letter to the homeowner, requesting the trees be trimmed.

NEW BUSINESS

a. HOA/ARC Law Change Review - Dick Tetreault-Unit VII: Dick Tetreault-Unit VII reported there were a few changes made to Arizona statutes governing HOAs and Architectural Review Committee (ARC) activities. These changes will be posted on the Carpenter/Hazlewood website. One of these changes mandates that a council member must be named as Chairman of the ARC. **Motion:** Kent Robinson–Unit V moved to appoint Scot Lee-Unit IX as Chair of ARC for the coming year. Rich Muth-Unit VI seconded the motion which passed unanimously. The council also addressed the HOAMCO “Proposal for Association Compliance with new Architectural Review Committee legislation” dated 7/27/12 from Tim Graves, which listed services to be performed by HOAMCO to identify and incorporate language into the HOAs’ documents in order to comply with the new laws, for a fee of \$250. **Motion:** Russ Parker-Unit III moved to accept the HOAMCO proposal for \$250. Maxine Tinney-Unit VII seconded the motion which passed unanimously. Maxine Tinney-Unit VII thanked ARC and the developer for keeping The Ranch a quality community.

b. Assessments/Research & Collections Report - Maxine Tinney-Unit VII: Kent Robinson–Unit V reported that Maxine Tinney-Unit VII had researched and compiled a report to determine if lot owners were being assessed in accordance with the CC&Rs. Maxine presented, as provided in the council packet, the background for her research, “The Ranch at Prescott Assessment Research Review Part I” and recommendations regarding The Ranch platted lots and combination lots. The following is a complete summary of the research, as provided by Maxine:

Assessment Research Review

In early 2012, a review was initiated of The Ranch at Prescott HOA Owner Assessment payments to determine if all Ranch Platted Lots were being billed and paid as required by the Rate of Assessment defined by the Association CC&Rs, the Second Amended and Restated Declaration of Covenants, Conditions and Restriction for The Ranch at Prescott dated December 30, 1994. The CC&Rs define the meaning of **Lot** as shown in the original **Plats** of the various Units of the Ranch at Prescott as they were originally filed; each non-excluded originally platted lot being assessed the current assessment rate of \$125.

An *Assessment Research Review* reveals that of the 973 originally platted Ranch Lots in the nine Ranch Units, 15 Lots (1.54% of total lots) have not been invoiced consistent with the Lot Assessment defined by the CC&Rs. The inconsistency has occurred for the Assessment of 28 Owners of 60 individually platted lots (23 Double Lots and 4 Triple Lots), which are (2-3) adjacent lots legally combined as a 'parcel' for single taxing unit purposes or legally re-platted prior or subsequent to the purchase.

In June 2012, the *Assessment Research Review* indicated the following inconsistency in the combination lot billing process:

- Fourteen (14) Owners of 29 individually platted lots (13 Double Lots and 1 Triple) have been assessed for only one of their legal combinations of lots leaving **15 originally platted lots unpaid**. These 15 unpaid platted lots are not in compliance with The Ranch CC&Rs.
- Fourteen (14) Owners of 31 individually platted lots (11 Double Lots and 3 Triple Lots) have been paying an Assessment for each originally platted lot in the amount defined by The Ranch CC&Rs.

Obviously, the inconsistent Assessment of Owners of combined Lots is a billing error and/or misinterpretation of Association CC&Rs, which the HOA Council needs to correct. The oversight should not be considered as an abandonment of the CC&Rs; and the HOA Council had no intent of inappropriate billing. There is no time limit on rule enforcement. Each new HOA Council is charged with the responsibility to enforce all the rules. **Conclusions and Recommendation** by the HOA Council regarding unpaid assessments will be considered within the Executive Meeting to protect the privacy and confidentiality of individual lot owners.

c. 2013 Budget Draft Review – Tim Graves: Tim Graves reviewed the 2013 budget draft with the Council. Tim will send a workable document to the Council and requested they review the budget and send comments/changes to him within two weeks (by 9/5/12). Tim also noted, to the best of his knowledge, there would be no increase in assessments.

d. Campaign Sign Code – Tim Graves: Tim Graves reported campaign signs can be up 71 days before Election Day and must be removed three days after Election Day. The signs may not be larger than nine square feet. Tim referenced the Courier article included in the Council packet and reported some signs in place were “grandfathered in” but the City reduced the areas where the signs could be placed.

e. Firewise Review - Dick Tetreault-Unit VII: Dick Tetreault-Unit VII discussed the benefits of becoming a Firewise community, as noted in the “Firewise Program Benefits” document provided in the Council packet. A benefit may also include an insurance credit if one lives in a Firewise community and Dick recommended that the HOA apply for Firewise status and a grant to help prevent fires. **Motion:** Russ Parker-Unit III moved that The Ranch at Prescott HOA hereby agrees to explore the possibility of becoming a Firewise Community by obtaining and completing the required Application with the Arizona Firewise State Liaison. Final council consideration and approval is dependent upon approval of the Application by the Firewise State Liaison. An application fee of \$2 per capita will be required for final approval by the Arizona Firewise State Liaison. The motion was seconded by Kent Robinson–Unit V and passed unanimously. Dick Tetreault-Unit VII and Scot Lee-Unit IX agreed to be the contacts for the Firewise activities. It was suggested that the HOA focus on cleaning up the common areas first, to set an example for the rest of the community.

f. Dead Trees/Excess Brush - Dick Tetreault-Unit VII: Dick Tetreault-Unit VII noted that the Pinion Pine trees were dying and that is was very important to have lot owners clear brush and ladder fuels from their properties. Scot Lee-Unit IX noted that lots that have not sold have already been cleared.

g. Annual Meeting/Elections Update – Tim Graves: Scot Lee-Unit IX discussed a continuing care facility, Touchmark, which may be built on the 50 acres above Wal-Mart; however, the project is still in negotiations. It was suggested that any new information be presented at the Annual Meeting. Maxine Tinney-Unit VII reported council member candidates are still needed. The deadline for receiving ballots is 9/7/12. Maxine requested volunteers to help count the ballots on 9/10/12 at HOAMCO and it was agreed that Maxine and Bob Tinney-Unit VII, Russ Parker-Unit III and Tim Graves would be available to count ballots. It was noted that there were two candidates for Unit VII and all units were represented.

h. Newsletter Sub-Committee Report - Mike Enders-Unit IV: Mike Enders-Unit IV provided “The Ranch at Prescott HOA Newsletter Sub-Committee Report, August 23, 2012” for the Council’s review and noted the June 30, 2012 newsletter was mailed on July 24. The September 30, 2012 newsletter will have election results and information from the Annual Meeting. Rosalie Naigle-Unit IV Alternate has agreed to assist as liaison to the Ranch directory activities but will be unable to continue as Chair of the Newsletter Committee. Mike Enders-Unit IV commended Rosalie for all her years of service, which are very much appreciated by the community. Mike noted that a new newsletter editor/Committee Chairman is needed. In referencing Chairman, Maxine Tinney-Unit VII noted there was some confusion in the CC&Rs over members being elected for two years. Kent Robinson–Unit V agreed to clean up some documents that had been posted on the internet.

HOAMCO MANAGERS REPORT

Tim Graves presented the HOAMCO Monthly Management Report dated May 25, 2012 through August 16, 2012, as provided in the Council packets. Maxine Tinney-Unit VII noted that the signage was very much improved and there were only two signs not in compliance. It was also mentioned that the deadline to be in compliance with the sign policy (all signs and sign frames must be metal) is 1/1/13.

FUTURE AGENDA ITEMS

None identified

ADJOURNMENT

Since there was no further business to come before the Council, a motion was made to adjourn the meeting. **Motion:** Russ Parker-Unit III moved to adjourn the Council meeting at 5:20 PM. The motion was seconded by Scot Lee-Unit IX and passed unanimously. The Council then moved into Executive session.

Respectfully submitted,

Mike Enders, Secretary/Treasurer