



**The Ranch at Prescott
HOA Council Meeting Minutes
July 28, 2016**

ATTENDANCE

Council Members in attendance were Phil Alvarado-Unit I, John Stilo-Unit III, Mike Enders-Unit IV, Chuck Fullington-Unit V, Paul Scrivens-Unit VI, Scot Lee-Unit VII and Billie Powell-Unit II Terry Madeda- unit IX. Ann Zdanowski, HOAMCO Association Manager, and Kathy Andrews, Minutes Taker, were also in attendance. Guest from Unit VI, James Young was also in attendance to support the Firewise discussion.

CALL TO ORDER/ESTABLISH A QUORUM

Council Vice-Chairman Mike Enders – Unit IV called the meeting to order at 3:02 pm and a quorum was established.

APPROVAL OF MINUTES

There was a correction to the minutes on Page two (2) d, 'John and Mike will meet with the engineer.'

Motion: Phil Alvarado motioned to approved the amended minutes. Terry Madeda seconded the motion. All were in favor and the motion passed.

APPROVAL OF FINANCIALS

The Council reviewed the Financial Reports for the periods ending 5/31/16 and 6/30/16.

Motion: Terry Madeda moved to approve the 5/31/16 and 6/30/16 Financial Reports as presented. The motion was seconded by Billie Powell- Unit II and passed unanimously. June accounting is summarized as follows:

Operating Account AAFS	\$ 45,421
Metro Bank MM Account (Operating)	\$ 244,069
AAFS Reserve MM Account	\$ 45,821
AAFS Operating MM	\$ 14,539
Construction Deposit MM	\$ 41,500
Accounts Receivable Assessments	\$ 3,909

OPEN FORUM

a. Ann Zdanowski stated that three bids were received to have the tile redone at the horse statue. The bids came in at \$2000, \$4000, \$8000. Scot Lee mentioned that it has been hit by a vehicle twice. There was a discussion regarding what size and type of material should be used. Scot Lee offered to do the replacement using a quartzite material for 10% lower than the cheapest bid with the same warranty as the submitted bids and would put together a written bid for the Council. Mike Enders calculated the \$2,000 bid and concluded it was not a valid bid because it was too low for the scope of work.

Motion: Terry Madeda motioned to approve Scot Lee to complete the statue tile repair bid including demolition, using quartzite material with a maximum cost of \$3000. Billie Powell seconded the motion and the motion passed unanimously. Ann Zdanowski mentioned that after completion, the tile should be sealed every year.

b. Paul Scrivens discussed the creation of the website. Website has not been started yet. A storyboard will be created and presented to the Council to show what it would look like. Billie Powell asked if it was worth the money to change the website. Ann Zdanowski mentioned that the website had already been approved at a previous Board meeting. HOAMCO will create the story board and then will put together an electronic storyboard for the Council to review and provide input. Ann also stated that the Council needs to discuss the maintenance portion of the website once the website is up and running. Paul Scrivens explained that the website will need regular updating which will require a contract for that work. Wilson Van Ness from HOAMCO will update the website as new information is provided to him. The estimated time per month needed will be approximately a couple hours at \$45 per hour.

Motion: Paul made a motion to approve up to \$100 per month for website maintenance. Scot Lee seconded the motion and it was approved unanimously.

c. Terry Madeda provided photos of brush piles that were left in his mailbox anonymously. They appear to be from a lot in Mystic Heights. Council Vice-Chair Mike Enders explained that the piles had been discussed at the last Board meeting which Terry was not present at. The minutes reflect that the decision was to wait until winter when the fire Department would allow burning and the piles would be burned by Arrow Fire.

OLD BUSINESS:

a. **Architectural Committee:** At a previous meeting there was a request to add another person to the Architectural Committee. Scot Lee is recommending to add Tom Menser who is an architect and is well connected with the City of Prescott. The charge would be \$150 per meeting. Mike Enders asked if there is a precedent to pay for an additional person. Scot explained that he provided the service to the Ranch before and was compensated for his time. Paul stated that there are no homeowners on the ARC. Scot stated that HOAMCO has an ARC Administrator assigned to The Ranch, and the Committee consists of HOAMCO ARC manager, an architect named Neil True, and Scot Lee who is a Lot Owner. Terry Madeda asked why the previous architect stopped working with the ARC. Scot said they were too busy with all the building that was going on in the area. Terry Madeda also asked if an additional architect was needed for the Committee? Scot said that it is not needed, however because Tom Menser is connected to the City of Prescott, it could possibly help with getting other things done in the community.

Motion: Billie Powell motioned to add a second architect with a maximum of \$200 per meeting. Scot Lee seconded the motion. A vote was taken with one against and the rest in favor. The motion passed.

- b. Common Area Fire Wise:** Paul directed the Council to the bids for Firewise work. One bid was for the Correction Crew to do the work with a total amount of \$8362 and the second bid from Arrow Fire \$12,600 for the same 8 acres. Grants have been approved for 8 acres in common area for 2016 and 9.5 acres for residential properties. After the grant money is applied, the amount comes to \$982 for the Corrections Crew and \$5220 for Arrow Fire.
- Motion:** Paul made a motion to approve the Corrections Crew with a maximum of \$1000 after the grant money has been applied. Scot Lee seconded the motion. The motion passed unanimously.
- c. Assessments for 2017:** Ann Zdanowski stated that last month there was a discussion about raising the assessments for 2017 in order to provide for more projects including additional fire wise work. The maximum allowed is 20%. The current balance in the Operating Fund is \$345,678. Year-end expenses for 2015 were \$150,000. Some drainage projects were completed in 2015. Year-end expenses in 2014 were \$125,100. Paul asked how much should be in the Reserve account. Ann stated currently there is \$40,000 in the Reserve account. Mike Enders asked how much an association of their size should have in the Reserve account. Ann explained that it all depends on what type of amenities the association has. Chuck asked how much is normally carried over at the end of the year? Ann stated that she would have to check the past financials to be able to answer. Terry Madeda wanted to know if it would be better to have a special assessment. Scot Lee suggested that the increase could be earmarked to pay for the mowing on the lots along the street which would also create a fire break.
- Motion:** Phil Alvarado moved that the discussion is tabled until we begin working on the 2017 budget. Terry Madeda seconded the motion and the discussion was tabled.
- d. Weed Abatement:** Ann Zdanowski suggested that the weed abatement program be discontinued because it is too hard for the landscape contractor to differentiate between lots. In essence the landscaper ends up trimming all lots along the roadway. It would be a better idea to budget the trimming into the budget as a landscape maintenance item. Being that the weed abatement discussion was tied into the Assessments discussion, the item has been tabled until the 2017 budget is discussed.
- e. Posting of Firewise Community Signs:** Paul Scrivens addressed the Council and suggested the allowance of a Firewise sign on each property which has been cleared. There was a discussion regarding signs that are posted on cleared lots, which then are not maintained for a few years and are overgrown and now trying to have the owner remove the sign. A suggestion was made to note the lots/ owners in the newsletter which have gone through the Firewise process and maybe provide a certificate for those owners. Paul Scrivens said that he would check into the cost of a certificate and would report back to the Council.
- f. Unit IX Barbed Wire Issue:** John Stilo- Unit III: Section of barbed wire on the north side of Bar Circle A. We are working on getting it fixed. Terry and John will be walking the area with the party who is leasing the land to show them where the barbed wire is down and needs to be repaired. Another update will be provided at the next meeting.
- g. Unit VIII Ranch Master Association:** Scot Lee stated that he spoke to some of the owners in Unit VIII about becoming part of the Ranch Master association. They do not have any interest in doing that at this time. They still have CC&R's they have to follow, but they are not part of the Master Association.

NEW BUSINESS:

a. Newsletter Update- Mike Enders stated that the newsletter went out and everyone should have received their copy. In the past Rosalie Naigle has been very involved in the newsletter, but she is slowly lessening her involvement. Ann has done a great job picking it up. Any articles that are submitted for the newsletter need to go through the Newsletter Committee for proofing and approval. Committee members include: Joan Petty, Rosalie, Mike Enders and Ann Zdanowski.

b. Firewise Committee Report: Paul Scrivens reported on the community Firewise activities which included: Since the last meeting they have completed all of the Phase One ten (10) acre grant assessments. Most are going through the quote and work process right now. Two of the grants have been paid by the Wildland Fire, and one has applied for payment. First newsletter went out in June and the second went out with the HOA Newsletter in July. The first Firewise Day was held at the Community Social Club Picnic and hope to have the second presence at the Annual Meeting in September. Applied for additional grant money and were awarded an additional 9.5 acres for personal work and 8 acres for common area work. We currently have 33 properties in the grant program and will start assessment on another 15 properties next week. We are trying to enlist another two members to the Firewise Committee. There will need to be a Firewise budget for next year to include mailings among other items. The Committee will contact Ann about that.

c. New Rules Proposal for Firewise: Paul Scrivens is proposing to the Council to adopt a list of Rules regarding the fire safety and land maintenance for the Association and he would like to include them in the newsletter. Mike Enders asked who would enforce the maintenance. Paul explained that the Firewise Committee would go out and do an assessment, after they have been issued a grant. If they are doing it on their own, then they are on their own. Scot Lee asked how you can enforce it if the owner does not want to clear it? If they do not take care of the lot, then they will get fined according to the Association Compliance Policy. John Stilo suggested that the Council set up a meeting with the City of Prescott to come out and back up the association because the fire danger is a threat to the City. After an extensive discussion about the importance of Firewise, Mike Enders stated that there needs to be a plan on how to get the information out and how it will be enforced.

Motion: Chuck Fullington made a motion to incorporate the six items outlined by Paul Scrivens into the Rules subject to an approval by the attorney. Terry Madeda seconded the motion. After a brief discussion a vote was taken five (5) were in favor, and three (3) were opposed. Motion carried.

d. Architectural Committee Report: Scot Lee stated there as nothing new to update the Council on.

e. AZ State Statute- New Compliance Policy: Ann explained the new Arizona State Statute changed the period after the initial Courtesy Notice is sent, for a homeowner to correct the problem to 21 calendar days instead of 10 business days. The Association has the option to keep the 10 days. If that option is chosen, the Courtesy notice would need several items listed on the letter which would include the name of the person who observed the violation. This would include if it was a homeowner complaining. Ann recommended the Council adopt the 21 days option to keep it as a gentler approach.

f. Chairman Position Open: Mike Enders explained that the position has been filled temporarily and will be addressed after the next election in September.

g. Appoint Unit IX Alternate: John Stilo stated that Bernie Tibbs in Unit IX would like to become the alternate Council Member.

Motion: John Stilo motioned to make Bernie Tibbs the alternate for Unit IX. Terry Madeda seconded the motion. All were in favor and the motion passed.

HOAMCO MANAGEMENT REPORT: Ann Zdanowski reviewed the monthly report from May until 7/28/16. There is a new Compliance Officer and has been out in the community a few times already. There is supposed to be another weed abatement cutting this week. Ann noted the June newsletter went out mid-July; we will start working on the 2017 Budget soon; much time has been spent on Firewise meetings and the resulting action items and updates; the Letter of Interest letter has been sent out for the Annual Meeting; there have been nine (9) resales from 5/24/16 through 7/12/16;

FUTURE AGENDA ITEMS

1. Consideration of a full audit of the HOA financials.

NEXT COUNCIL MEETING: The next scheduled Council meeting is August 25, 2016, at 3:00 pm at HOAMCO.

ADJOURNMENT: Motion: Phil Alvarado-Unit I moved to adjourn the meeting at 5:13 pm. The motion was seconded by Terry Madeda-Unit IX and passed unanimously.

Respectfully submitted,

Terry Madeda, Secretary/ Treasurer