

**Long Meadow Ranch  
Property Owners Association  
Annual Meeting, October 25, 2003**

Long Meadow Ranch Property Owners Association held its second Annual Meeting in 2003 on Saturday, October 25, 2003, from 9:30am to 12:00 noon, at The Phippen Museum, 4701 N US Highway 89, Prescott, Arizona 86305.

Association members attending in person were: Jerry & Sue Alvis, Edward and Susan Baxter, Ray Beckage, Casey & Wendy Buitenhuis, Marsh & Mary Carpenter, Neil & Paula Cooperrider (2 parcels), Bill & Betty Foley, John & Kathy Glimpse, Bill & Kathleen Hillebrand (2 parcels), George & Marie Price, Ray Sucato, Cass Turkowsky, Jim Wallace & Miramae Welch (2 parcels), Herb & Paula York (3 parcels) for a total of 19 votes.

As they signed in on the membership register, attending members received election ballots; and a Packet of Meeting Materials, including the agenda and annual meeting trail plan presentation; the proposed budget for 2004; the equestrian liability insurance quote, and the Minutes of the April 26, 2003 Annual Meeting. If the attending member had not yet cast a postcard ballot on the proposed CC&R amendment, a duplicate ballot was provided.

Those attending by proxy were: Paul & Claudia Critchfield, Jack & Donna Donoghue (2 parcels), Robert & Karen Eckhoff, Robert & Barbara Elk (2 parcels), Dan & Mary Jo Gugelman, Michael & Fay Hays, Mark & Kristine Hoefler, John & Brenda McDonald, Tom & Margaret Nicol, Scott & Karen Robertson (4 parcels), Fred & Genne Roybal, Ronald & Lara Runger, Stan & Shari Stansauk, Dan & Lynne Stoppe, Doug & Peggy Taylor, Charles Turney, Pete & Regina Vernaskas, for a total of 22 votes. The Board held 13 proxies. Ray Beckage held one proxy; Bill Foley held one proxy; George Price held 7 proxies.

Two members had sent proxies which were not presented to the annual meeting. They were to be voted by a member who did not attend. Without a subsequent signed appointment form, naming someone else to vote the two proxies, these proxies could not be recognized.

One member attempted to convey two proxies by telephone message on the morning of the meeting. Arizona legislation governing proxy voting in nonprofit corporations requires a signed appointment form, so a telephone proxy could not be accepted.

The morning of the meeting, one member sent the secretary by e-mail proxy instructions for four votes: the member and proxies held for three other members. The instruction sheet had an electronic signature (however, only first names rather than legally required full name). The secretary did not see the e-mail until four hours after the meeting had concluded.

A total of 41 of a possible 66 votes were represented by 31 members attending in person, or by proxy. Board President George Price declared that a quorum was present (in person or by proxy), and the meeting began with all members present introducing themselves. The president announced that Marie Price and Miramae Welch would tally the written ballots.

Minutes of the April 26, 2003 Annual Meeting, provided in the Packet of Meeting Materials, were not read aloud, and after members had reviewed them, they were approved as written.

**REPORTS TO THE MEMBERSHIP:**

**Treasurer's Report:** President George Price presented the treasurer's report, in the absence of Treasurer Bob Elk. The proposed 2004 budget sheet included year to date income and expenses for the current year, as well as the budgeted amounts. (copy attached to minutes) George noted that the primary reason to have changed the date of the annual meeting was to allow the membership information towards the close of one budget year, in order to adequately discuss proposals for the next year. The extensive notes accompanying the report concern the proposed budget, which the president discussed.

The income and expense items of annual meeting lunch, trail implementation, and social committee balance out since the budget anticipates they will be self-supporting; Increased insurance costs include the proposed trail insurance as well as anticipated increased cost for existing coverage. Increased road maintenance cost is for rolling/grading roads and repairing two bridges. The Reserve Fund, which was drawn down to help pay for road improvements in 2003, will be built back up to \$7500. Membership dues will be increased \$50 per parcel

In response to a member's asking what the current (mid-October) bank balance was, he replied slightly over \$7000, of which \$5,000 is the current drawn-down reserve fund. The treasurer's report was accepted, with voting on the budget postponed to New Business.

**Roads:** Casey Buitenhuis, roads committee chairman, reported that the committee of five members represented a cross-section of membership viewpoints concerning the roads. In several committee meetings, they walked all 7.5 miles of the roads, staking areas which needed improvement.

During 2003, 1.6 miles of the roads: parts of Stephens, Walking Y, and Wild Horse were upgraded using budgeted funds from both 2003 and 2002, as well as additional funds from the reserve fund. Casey noted that the majority of dues paid goes to roads maintenance and improvement. For the road improvement, we had received bids ranging from \$33,000 to \$59,000. In order to stay within funds available, the road distance being improved had been lowered.

During the road improvement we discovered the substantial difference made by the use of water during rolling and grading. While we were able to use water from a member's pond for that operation, the road committee realized we will need more water than was available that one time. They have asked Yavapai Water Company, which owns the water distribution source at Williamson Valley Fire Department, if we can purchase water from them. A decision is expected in November.

Currently, the roads committee has sent out a Request For Bids to contractors experienced in road maintenance and improvement. The bids rely on the information received in January 2003, from ETC, a professional consulting firm which tested our roads and recommended construction details and materials to be used. (ETC recommended a minimum 3" base, water, rolling.)

During the year, the Board had asked the Road Committee to evaluate paved versus unpaved roads, and to determine the life cycle of the alternatives. That effort is ongoing. One member of the committee has kept a running tally of the monsoons and winter storms and damages they caused. This has led to suggestions that there might be a special assessment to upgrade the road portions affected, with a hard surface able to sustain such damage.

A further suggestion has been to have the parcel owners directly affected by the damage have a special assessment, with the association picking up only some of the cost. A preliminary opinion from our lawyer states that the CC&Rs do not authorize disproportionate assessments, but that they be allocated on a per parcel owned basis.

The road committee will be evaluating the bids as they come in, and will propose a special assessment once they have enough information. The road committee report was accepted.

**Trail:** The Trail Plan Presentation had been distributed with the Packet of Meeting Materials. (copy attached to minutes) In the absence of Bob Elk, trail chairman, the president reviewed the history of the trail plan to date.

Originally there were 25' perimeter easements around LMRPOA parcels, providing public access. However, the easements (in the sale contract documents) were not recorded at the time of sale, but later, with the result that some parcels had easements and some did not. In addition, there was neither consistency in the easements, nor enforcement of them.

The association developed a trail plan, providing access through the community to the National Forest; presented it to the membership at an annual meeting; and sent the minutes of that meeting, showing the association's affirmative vote for the trail plan, to the developer. On the

basis of that decision, the developer transferred the existing easements to Long Meadow Ranch Property Owners Association. At that point, the 25' perimeter easements belonged to LMRPOA.

The Trail Committee had our lawyer draw up a Trail Easement specifying that it was for LMRPOA members and their guests, and that it conformed to Arizona statutes. The trail plan consists of approximately nine and a half miles of trail, limited to hiking, biking and equestrian use. The Trail Plan Presentation written by Bob Elk goes on from there, detailing the current progress in obtaining trail easement signatures from parcel owners affected by the plan.

At present 28 owners, out of the 44 owners with trail segments on their lots, have signed the trail easements. 25 of these signed easements have been recorded. The legal expense of creating the documents for the trail easements and the return of other easements held by LMRPOA, and the cost of the recordings is being invoiced to the parcel owners (under \$100).

The Board has received a quote for equestrian use of the trails, for protection over and above protection provided by state statute. As conditions to this coverage, the association will need to keep records of owners' personal liability insurance, and will need to maintain the trails.

The Trail committee report was accepted, with discussion of the insurance quote postponed to New Business.

**Water:** George Price reported that the fight over the water in the Williamson Valley aquifer of the Upper Verde Watershed will be the last major water battle in Arizona. There is a current plan which has not yet been approved, for Las Vegas Ranch to supply water to the City of Prescott. It will impact our water supply.

There will be a Tri-City Water Forum at Embry-Riddle, sponsored by Citizens Water Advocacy Group, League of Women Voters, and Verde Watershed Association, on November 15<sup>th</sup>. George urged all members to attend. The Water report was accepted.

**Architectural:** Kathy Glimpse reported that, since the April Annual Meeting, we have approved site and architectural plans for two members, Alvis and Meserve. We have received a submission of barn plans from Butterfield, which will go to the next Board meeting for review and approval.

In response to audit committee recommendations, existing approved plans for construction have been reviewed. In three cases, construction has not been completed on time, and the parcel owners have been notified that they will need to resubmit their plans for approval. Architectural committee report was accepted.

**Social:** There was not a Social Committee report. There was a notice in the Packet of Meeting Materials inviting the membership to Potluck at the Elks, November 16<sup>th</sup>, in celebration of the marriage of Dee Jones and Jack Hansen, and to welcome baby James Foley, grandson of Bill and Betty Foley.

**Insurance:** The report was postponed to New Business.

**Web Site:** There was no report.

**Ballot to amend to CC&Rs to prohibit the transport of water from any parcel:** The president announced that the amendment had passed by a vote of 52 yes; 6 no. (75% of the membership, 50 votes, are needed to change the CC&Rs.). The amendment will be recorded with Yavapai County. (A stamped copy of the amendment will be sent to all members as soon as it is received from the recorder.)

**Audit:** Neil Cooperrider and Miramae Welch, members not on the Board, reviewed the books and records of the treasurer, the secretary, and the various committees. The treasurer's records and systems are complete and satisfactory. The secretary's and committee correspondence files, organized chronologically, are complete and well organized. Meeting minutes are detailed and complete.

The recommendation in the last audit, for a separate binder with copies of contracts, liens, insurance policies, certificates of insurance and legal documents, has been carried out. However, some of the contracts had not been signed. *The audit committee recommends that these be signed.*

The Board has responded to the recommendation in the last audit, that the architectural plans approved in the past, but for which there is no current documentation in the files, be documented as approved. There is now a copy of the audit report for April 2000, stating that with one exception, all accepted plans were available and approvals in order as of that date.

#### NEW BUSINESS

***Budget for 2004:*** It was moved and seconded to approve the proposed budget for Year 2004 by a vote of 36 yes, 5 no.

***Motion offered by Neil Cooperrider:*** “I move that any road improvement project requiring a special assessment of changes to the dues structure only be approved by a mail ballot of the full membership of the LMRPOA”: The motion was seconded and approved, with no negative votes.

***Motion offered by Bill Hillebrand:*** “Inasmuch as the bid for constructing a hard surface road by K&J Services has been the most economically feasible bid the Board has obtained, I hereby move that the Board do what is necessary to prepare and then have K&J Services construct a hard surface roadway on Wild Horse Run and any or all of the other roads that may be desired.” The motion was withdrawn after objection to limiting the proposed work to K&J Services.

***Motion offered by Bill Hillebrand:*** “Inasmuch as the bid for onstructing a hard surface road by K&J Services has been the most economically feasible bid the Board has obtained, I hereby move that the Board do what is necessary to prepare and then have K&J Services or other contractor construct a hard surface roadway on Wild Horse Run and any or all of the other roads that may be desired.”

In discussion of the motion, K&J's bid was described as \$33,000 per mile for 1.2 miles. The cost would be less in conjunction with other road work either at Long Meadow or with Crossroads.

Members asked about setting a cap on the work; alternative solutions for Wild Horse Run; dividing the cost between LMRPOA and the seven parcel owners (two houses built); surveying the parcel owners about what they would contribute; the mechanics of annual dues relief in return for the parcel owners' contributions.

The consensus of the discussion was that Wild Horse Run had not been engineered correctly and is a continuing problem. A major portion of the total road budget is used for maintenance of that particular road. The president was asked about the survey of membership during and after the April annual meeting. He reported that the general outcome of the survey was that members were concerned about cost.

Bill Hillebrand was asked what “do what is necessary” meant. He replied that it was to obtain bids, which we have done, set up the financing, which needs to be done, and seek membership approval of the plan.

Voting on the motion was

- 8 proxies, yes + 7 attending, **yes= 15;**
- 14 proxies, no+12 attending, **no = 26.**

The motion did not pass. The Association asked the Board to continue to address the problem of necessary upgrade to Wild Horse Run. Bill Hillebrand was commended for his persistence in seeking a solution.

