Call to Order
Council Chairman Mike Enders-Unit IV called the meeting to order at 3:30 pm. The meeting as held at the Hassayampa Hotel Marina Room in Prescott. A quorum was established and there were approximately 150 owners who were present at the meeting. Also in attendance was Ann Zdanowski, HOAMCO Association Manager and Donna Forster, Minutes Taker.

Council Introductions
Council Chairman Mike Enders welcomed members to the meeting and introduced and thanked the previous year's (2016) Council members for their service: Phil Alvarado-Unit I (position vacant, since Phil had moved and Bernie Tibbs, Alternate, took over); Billie Powell-Unit II (absent); John Stilo-Unit III, Alternate Bill H (absent); Mike Enders-Unit IV (Chairman), Alternate Rosalie Naigle; Chuck Fullington-Unit V; Paul Scrivens-Unit VI (absent); Bernie Cygan-Unit VII and Scot Lee-Unit VII (Vice-Chairman), Alternate Steve Burnett (absent) and Terry Madera-Unit IX (Secretary-Treasurer), Alternate Bernie Tibbs. Mike then introduced and thanked Ann Zdanowski, HOAMCO Association Manager, for her assistance during the year.

Chairman’s Report
Council Chairman Mike Enders identified three areas that had been addressed by the Council. Drainage work has been done in the channels to help with water flow mitigation and erosion. The Council discussed bringing in volunteer help to improve the Hiking Trails, however, the Council was informed that The Ranch would be required to connect to the City Trail System. The Council was concerned about those who abut the Trail system, and therefore, declined to have the trails improved and expanded. The surface of the Tennis Courts had deteriorated beyond what the Tennis Club could maintain and the Tennis Club returned the courts to the HOA. The Council obtained bids for resurfacing the courts and re-striping for tennis and pickleball, since pickleball has become so popular, and the courts will be resurfaced in mid April 2018, over a two week period.

Architectural Report
Scot Lee presented a plaque to Mike Enders, on behalf of the Council, for Mike's service and dedication to the community. Scot then discussed other positive activities taking place in The Ranch, which include eight or nine homes currently being built, changes to the Architectural
Guidelines which have relaxed constraints on the height of a structure, allowed garage doors to be painted a different color than the house (on a case-by-case basis), and allowed new homes to have a smaller footprint, if they have the same or similar architectural characteristics as adjacent homes. Scot mentioned that the new guidelines will be public and posted on The Ranch website. Scot also introduced and thanked Neil True, HOAMCO architect, for his contributions and ideas for the guidelines and for his guidance with new home builds and modifications.

**Treasurer’s Report**

Council Member Terry Madeda-Unit IX (Secretary/Treasurer) stated his goal as Treasurer over the previous two years was to make the budget more transparent to the members. Terry related that The Ranch's first full audit was performed and an audit was completed for 2016. The results were very positive with no significant findings. HOAMCO is updating the financials on the website. The Total Assets as of 12/31/16 were $431,949. Revenues at year end 2016 were at $136,040 and 84% of that amount was from assessments. Expenses were at $122,913 for the same period, with 67% for administration fees which include accounting fees, bad debt and insurance fees, and 32% for landscape maintenance and weed abatement in the common areas. As of July 31, 2017, Revenues were at $160,154 and Expenses were at $71,854. At this point, owners asked several questions.

1. Comment: An owner requested handouts be provided in the future to members at the Annual Meeting and Ann Zdanowski noted the request.
2. Question: An owner questioned the approximate $80K going towards admin fees for 2016. Ann Zdanowski replied there are many fees included in admin, such as legal, insurance, helping prepare the budget, paying all bills and tracking all violations. It also includes the services of a Compliance Officer. Management fees also pay for the accounting department, renewing insurance and updating the website and is based on the number of lots within the community.
3. Question: How many lots are empty? The Council replied there are 550 empty lots, or 40% out of the 934 lots, excluding Unit VIII which has about 40.
4. Q: Where is the budget for the tennis courts? Mike Enders replied that the bid for resurfacing the courts was about $16K and the Tennis Club agreed to apply their funds of $4-5K. The remainder will come out of Reserves. Q: What were the results of the survey? There were over 100 responses from those interested in tennis or pickleball and 165 responses against. Mike Enders noted The Ranch only has two assets, the trail system and tennis courts, which are open to everyone. Q. Why did it pass? Mike Enders replied that it was not a vote. Owners were asked to propose alternative uses for the court area and multiple ideas were presented, including a pet cemetery, and tennis was the best option.

**Firewise Program**

Dennis Shaw stated The Ranch became certified as a Firewise community in 2013 and Paul Scrivens is the current Committee Chairman. Dennis stated the fire threat is real. The Arizona Department of Forestry rated The Ranch at the highest risk for fire due to extreme
overgrown vegetation, but Dennis stated the key to reduce that risk is working together to minimize wildfire risk in our neighborhood. Dennis thanked the committee members for their diligence and hard work and identified the committee's accomplishments which included obtaining 42 Firewise grants in 2016 totaling $46K, with 60 Ranch lots now certified as Firewise, and providing educational information to owners in a quarterly newsletter and on the updated Ranch website. The committee's key objectives are to educate, inform and assist and the key focus is the voluntary creation of survivable space. Dennis hoped to dispel rumors by stating the Firewise Committee does not fine property owners, enter Ranch lots without permission, clear cut lots to 70%, remove unnecessary vegetation, recommend the use of herbicides or have illegal Firewise Mitigation rules. Dennis answered the question, "What Can I do?", by stating: be informed, take responsibility for "Firewising" your property, spread the word in our community, support committee and HOA Council Firewise initiatives, and, consider becoming a Firewise Committee volunteer. Several issues were noted regarding Firewise: Ranch characteristics, 934 lots with 40% vacant, most vacant lots are for sale, only 10 vacant lots were sold in 2016, and vacant lot owners want to minimize expenses, which can be significant. Also, some owners reported their homeowner insurance could not be renewed due to the extreme fire danger of neighboring lots.

**Election Results**
Ann Zdanowski noted she had received 436 ballots. IRS Revenue Ruling 70-604 and the September 22, 2016 Annual Meeting Minutes were approved by the members. Ann then presented the election results for the new Council for 2018-2019: Unit I-Everett Cox; Unit II-Billie Powell; Unit III-John Stilo, Alternate Terry Partyka; Unit IV-Mike Enders, Alternate Rosalie Naigle; Unit-V Chuck Fullington, Alternate Patrick Harris; Unit VI-Steve Martin, Alternate Paul Scrivens; Unit VII-Scot Lee and Tom Mentor, Alternates Carol Hammer and Dennis Shaw; and Unit IX-Terry Macheda and Alternate Al M . Mike Enders noted that the Council officers will be elected at the first meeting in October.

**Public Communications**
Chairman Mike Enders then opened the meeting to comments and questions from the Association Members.
1. A homeowner noted that the contract with HOAMCO could be renegotiated. Mike replied that the contract was put out for bids and a company from Phoenix was interested, but the Council wanted a local company and HOAMCO was the most qualified. The contract has been renegotiated with HOAMCO.
2. A homeowner reminded all of the seriousness of the Goodwin fire and suggested owners go to the City Council, write to State Representatives to change the requirements for lot owners, and to volunteer, to try and find other methods to clear overgrown lots.
3. A homeowner informed other owners of drug activities during the last two months in a vacant home at Echo Hills, which included thefts, fires, drug paraphernalia and people driving under the influence. The police have been called but other owners also need to call the police if suspicious activities are seen. Chuck Fullington volunteered to call City Chief of Police Deborah Black to discuss the problem.
4. A homeowner asked about the big hill that had been cleared and Mike Enders replied that the Forestry Service mitigated a large band around The Ranch as a fire break, to help keep everyone safe. They have performed this service two times and developer Jim Lee worked with the Forest Service to make it happen.

5. An owner thanked the Firewise Committee for the clearing that has been done and asked if the prison crews would be available to help owners clear their own lots. Ann Zdanowski replied that she would check on the matter. A homeowner also suggested that Boy Scout troops help with clearing lots and Ann Zdanowski agreed to make a call to the Boy Scouts.

6. An owner expressed disappointment over lots that had been destroyed by extensive clearing and Mike Enders replied that any major clearing, other than landscaping, needs to go through HOAMCO. Also, the Fire Department will sometimes shred and cut brush, if they have the time available.

7. A lot owner stated that other lot owners do care about having their lots mitigated but the costs are prohibitive. She had received a bid for $15K. It was suggested that lot owners just perform a little clearing at a time, to show some progress. Mike Enders stated that if homeowners contact HOAMCO about a neighboring overgrown lot, a letter will be sent giving the owner sixty days to respond. If the owner does not respond, another letter is sent and, ultimately, the owner may be fined.

8. An owner stated he owned two lots in The Ranch and the reason he moved to The Ranch was the topography and vegetation. The owner does not want to see lots clear-cut.

9. An owner noted many lots are on the market but few are selling and there seems to be little construction going on. The owner asked what the Council is doing to encourage new builds. Mike Enders replied that the Council cannot take a position but believes it is advantageous to have more homes built and noted ARC has loosened the rules of construction, i.e., the home size has been adjusted as well as the way the house can sit on a lot. ARC is trying to accommodate home builders. Mike mentioned that when building a home, approval must be obtained from the Fire Department and the lot will automatically be "Firewised".

10. An owner stated the Council cannot impose the 70% cutting of a lot. Dennis Shaw stated that every lot is different, but there is no mandatory 70%...among the many Firewise speakers, no one has ever stated 70% must be cleared; however, many homes are saved by having 30 feet around the home cleared.

11. An owner mentioned the dire need for street improvements and Mike Enders stated that streets will be a focus of the new Council.

12. A homeowner noted that bow hunters have been a potentially dangerous problem and suggested owners call police. Mike Enders and Chuck Fullington agreed but stated there are laws that allow bow hunters the same rights as those who hunt with firearms. Scot Lee agreed to check on the state statutes.

13. An owner asked what could be done to improve the perception of The Ranch and did the study identify any new ideas. Mike Enders noted that a Council member did talk to realtors and builders. Mike and Scot Lee will let the realtors and builders know that the guidelines have eased.
14. An owner asked about the development plans for the large tract west of Morning Glory. Scot Lee noted there are 30 acres north of Morning Glory where there may possibly be single family homes built.

**Adjournment**
Mike Enders adjourned the meeting at 5:07 pm.

Respectfully Submitted,

_____________________________
Terry Madera, Secretary/Treasurer