

**CLIFF ROSE ANNUAL MEETING
SEPTEMBER 18, 2021
HELD VIA ZOOM CALL**

Due to Covid-19, this year's Cliff Rose annual meeting was held by a Zoom call. All residents were sent an invitation on how to call in to be included in the meeting.

Board Members Present at HOAMCO: Peggy Walker, Catherine Craig, Marty Zwilling, Bill Colwell, Libby Zwilling, Chris Lewis

HOAMCO Manager Present: Ashley Beumer

President, Peggy Walker, called the meeting to order at 5:00 p.m.

Peggy welcomed everyone to the meeting and introduced herself. She then introduced the current Board members and thanked Ashley Beumer, our HOAMCO manager, for all she has done for Cliff Rose.

Peggy said that several questions sent to Ashley ahead of the Annual Meeting were sent to her and if anyone had questions while the meeting was going on, they could email them or type questions into the Zoom chat and we would see them immediately and respond at the end of the meeting. Responses to questions submitted prior to the meeting are included in the Power Point notes posted on our website.

Peggy thanked Olivia Lee, our ARC Director, Communications and one-time webmaster. Olivia will be stepping down from the Board. Olivia has been a valuable resource to Cliff Rose.

Peggy also thanked Libby Zwilling, who is also retiring from the Board. Libby has been serving as the Secretary and Social Director. Of note, since Libby joined the board three years ago, she has delivered 100 welcome baskets.

Peggy announced the new Board candidates: Chris Colwell, Catherine Craig, Bill Krauss, Marty Zwilling and Patrick Swafford.

Catherine Craig motioned to approve the minutes for the 2020 Annual Meeting; Marty Zwilling seconded.

Peggy discussed our efforts to improve communication. Courtesy Notices are a necessary part of maintaining our community. Much of the language in the Courtesy Notices is necessary for legal reasons. We rewrote the Courtesy Notices earlier this year with a gentler approach. When we receive questions or emails from our residents, we respond via email and we keep a list of all questions and concerns. We respond to some of the more informational issues in our quarterly Quail Trail.

Catherine Craig spoke about our proposed CC&Rs and the benefits of their approval. There are several reasons to update CC&Rs. The Cliff Rose CC&Rs are very out-of-date – they were created in 1987. Over the years, there have been numerous amendments; the CC&Rs went from 18 pages to 104 pages due to the many Federal amendments, State statutes and other changes over the last 30 years.

The world around us has changed – a lot has happened. We have the internet today. Currently, we are required to send certain documents via USPS such as the Courtesy Notices. We spend thousands of dollars a year on mailings, envelopes, stamps, etc. If we could use emails (for those that have an email), we could save thousands each year for the HOA. Current CC&Rs require that the HOA use a "Prescott bank." Why this requirement? Does this exclude national banks (Chase or Wells Fargo - restricting where we can get the best rates?)

We need much more clarity in our CC&Rs. The current version is extremely complicated and we often need to get advice from our lawyer to interpret certain sections. This is very expensive. One section in our CC&Rs discusses townhouses – what is a better example of extraneous and an out-of-date document which refers to we buildings we do not have?

Cliff Rose is a legal entity. As such, we need strong documents. The Board (past and current) has been working extensively for over two years to try and make it a stronger, more efficient document. We have resolved conflicting statues – those that have caused difficulties for us. We have added verbiage to address some of the issues that we have come across as a Board. Residents have brought issues to the Board which our current CC&Rs don't fully address. We have tried to clarify those issues that were vague.

Multiple times we have requested input from our residents for over two years. We had an open meeting for all residents so they could voice their concerns. In some cases, it has led to changes in the CC&Rs. The proposed CC&Rs have been on the website for over a year for homeowners to review.

We need these new CC&Rs in order to do a better job for you. We are asking all of you to please approve this new document. If you need a replacement ballot, please call or email Ashley Beumer at 928-778-2293 X 1134/abeumer@hoamco.com and she will get you a replacement ballot.

Marty gave a brief overview of the financials. The Board is very proud of the fact that we have been able to keep our assessments at \$84.00 a year. Our neighboring HOAs have dues of over \$100 a month with the gated communities paying even more. However, things are expensive. The recent rains will be causing more expenditures. We have had erosion issues and fire mitigation projects. We have approximately 23 acres of common space that we have to maintain. We have \$35,000 per year coming in from the 420+ lots. We have our RV lot that we get some revenue from. Our biggest expense is from landscaping and maintenance of these Common Areas. It will most likely increase as we go forward. Another big expense is the administrative expense, i.e., HOAMCO, mailings, printing, stamps, lawyers, etc. In addition, we are a legal entity and must pay taxes. We are projecting that we will be spending a little more than we bring in. Eventually, that will lead to an increase. We have a very good Reserve currently, though we must keep a certain amount in our Reserves, approximately 75% to 100% of our annual expenses.

Our Fire Mitigation expenses this year amounted to \$17,000, landscaping went to \$10,000, HOAMCO stayed the same. We have lowered our legal expenses. We have on-going RV maintenance of about \$1,500.

For the next 12 months, we need to continue with our Fire Mitigation – everything is growing rapidly. It is important to maintain this to prevent fires – which would affect everyone. We will need to invest in our drainage and maintenance, erosion control. We would like to do more social events and do more with our ARC changes.

Peggy noted that we have about 60+ rental homes in Cliff Rose based on our records. We have 22 lots that have been sold but have no construction on those lots yet and the Savage Builders have 11 lots yet to be built upon.

Bill reported on maintenance. We were able to get the Fire Mitigation done on the area around the RV lot to Oriental and Mediterranean. Other areas will be done in the future. We have a utility road at the top of Ventnor and behind Boardwalk. We are concerned that this area be repaired and regularly maintained. We are looking for a Civil Engineer to get a proper solution to this and get assistance in stabilizing this area. This will be a community effort.

Common Area 140 (the trail between Marvin Garden to Savage Road) gets a lot of traffic. We have not been able to keep up with the weeds. We are looking into the possibility of getting a landscape contract going wherein the landscaper would be responsible for keeping things in order.

We have replaced several signs in the neighborhood giving them a more professional look. The Lewis' built two Book Nooks for our neighborhood – one on Marvin Gardens and one on Oriental. Please stop by and check out the books.

Olivia Lee has been our Chair for the ARC. This year thus far, they have received 91 requests (86 approved). Their usual turnaround is approximately three days, depending on the project. Please submit a request for the ARC when making exterior changes to your property. The forms are on the website and are very easy to use.

Libby and Chris have worked together on the social committees. Libby made all the colorful signs for our garage sale and food drive. Chris suggested that we have an ice cream social. She set this up and it was quite successful. Libby suggested that we have an annual Christmas decoration contest and the Board approved this. Chris took over the handling of this.

Charlotte Anthony is our Quail Trail Editor. She checks in regularly with the Board looking for articles. Anyone wishing to write an article should contact Charlotte. Send them to crquailtrail@gmail.com.

HOAMCO took up the management of Cliff Rose two years ago. Our manager is Ashley Beumer. Please feel free to contact her. She coordinates things and keeps a log of all calls and requests. Sandy West is HOAMCO's Compliance Administrator. She drives through Cliff Rose twice a month. We don't usually know the exact day. If we know the exact day she is coming and we know what in particular she will be looking for, we send out an e-blast to the neighborhood.

Marty handles the website. It is easy to maneuver. There are several City of Prescott links at the top of the site. Please take a look at it.

Ashley announced that, to date, we have received 114 election ballots and we need 65 for a quorum. Therefore, we have a quorum. Welcome to our new Board members, Chris Colwell, Bill Krauss and Patrick Swafford.

QUESTION AND ANSWER SESSION:

Below are questions submitted prior to the meeting. Responses are also included in the Power Point of the Annual Meeting posted on our Website.

- 1) Four questions related to City of Prescott matters that our HOA cannot control, i.e., speeding, not stopping at STOP signs, barking dogs, street parking, Solicitors, etc. Sometimes, these problems can be solved by talking to your neighbor or whoever is causing the issue.
- 2) "What do we need to submit to the ARC?" The answer is that it is best to submit a request for everything (including painting your home the same color). As mentioned before, our ARC is extremely responsive. When in doubt, submit a request.
- 3) There were a couple of questions relating to the CC&Rs: "Where is the amended CC&Rs altered from the original?" The current and amended versions are posted on the website. There was a 'red-lined' version on the website for one year but it was very confusing. If you wish to have a red-lined version, please contact Ashley.

A question arose as to whether one Board member alone can change the CC&Rs. The answer is NO. Not even the entire Board can make changes to the CC&Rs or By-Laws. Changes must be approved by a majority of the members. The Rules & Regulations support the CC&Rs and the Board can make changes to those – not by an individual but by the majority of the Board.

- 4) "Can we make our neighbors clean up their property?" Yes, they should receive a Courtesy Notice. Compliance will also follow up with formal complaints.
- 5) We need to clean up our ditches and sidewalks. Although the City owns the sidewalks, it is up to the homeowner to clean their sidewalks.
- 6) We receive complaints about outside lights on some homes. Residents should turn off their lights when not in use.
- 7) Can we get pet owners to clean up after their pets. This is a constant complaint. It should be common courtesy for this to happen. We did publish an article in the last Quail Trail.

- 8) What was the date of the last changes to our ballots that were sent in with the last 30 days ballot? The last changes were a year ago. You can send in your ballots until the end of October. We could also extend that date, if necessary.**
- 9) How many CC&R ballots have been received? We have received 110 received; 90 are in favor, 18 not in favor and 2 came in blank.**
- 10) Does the RV lot income cover expenses? In the last 12 months, the income has been about \$7,500. The expense has been about \$2,500. However, going back several years, there were major expenses. In 2020, we spent \$16,000 to repair the road. If we go back ten years, we still haven't caught up. The end result is, no, it doesn't pay for itself.**
- 11) When the City of Prescott repaired the roads, they removed the painted addresses on the curb, when will the City replace them? The City advised that the homeowner must replace the address numbers themselves. HOA's do not do this.**

We thank those of you who participated in the Annual Meeting via Zoom.

The Annual Meeting adjourned at 6:06 p.m.

Submitted by Libby Zwilling, Cliff Rose Secretary