

Santa Fe Ranch Property Owners Association, Inc.

MINUTES
2006 ANNUAL PROPERTY OWNERS MEETING
FEBRUARY 18, 2006

- I. Call to order
A. The meeting was called to order by Board President Joan Johnson at 9:14 A.M. at the Yucca Fire Station in Yucca, Arizona.
- II. Establishment of a quorum (10% of the membership).
A. The Secretary certified that more than 10% of the membership was present in person, or by proxy, to satisfy the quorum requirement of the Bylaws.
- III. Review and approval of the draft notes from the 2005 Annual Property Owners Meeting.
A. A MOTION was made, seconded and unanimously approved to waive the reading of the draft notes taken at the 2005 Annual Meeting.
B. A MOTION was made, seconded and approved with 1 “no” vote to accept the draft notes taken at the 2005 Annual Meeting, as Minutes of that meeting.
- IV. Special Introductions/Awards
A. State Senator Ron Gould was introduced to the membership as an Owner as well in his official capacity as Arizona State Senator.
B. Attorney Geri Miller, the Association’s attorney, was introduced to the membership.
C. Joan Johnson, on behalf of the 2005 Board of Directors provided a certificate of Appreciation to David Bour-Beau and Jim Rooney for their services during the year.
D. Joan also gave special recognition to Jeremy Rynders for his help in developing a web site for the Association, and to Chuck Bennett for his efforts with the Newsletter.
- V. Election of Directors
A. Close the registration.
1. A MOTION was made, seconded and unanimously approved to close the registration of membership, after insuring that all owners present signed in and received their materials.
B. Appointment of election monitors.
1. A MOTION was made, seconded and unanimously approved to accept Jim Molitar and Jan Emming as election monitors.
C. Conduct the Election.
1. Introduction and comments of Nominees.
2. Each Nominee was given 3 minutes to introduce themselves and discuss their reasons for seeking election to the Board of Directors.
3. Chuck Bennett, Rick Crawford, Mike Ellis, Harold “Hal” Fisher, Alan Houlihan, Anna Jennings, Joan A. Johnson, Sandra Patterson, Jeremy Rynders, Michael P. Sawhill, all spoke.
D. Collect the ballots.
1. The ballots were collected after “cumulative voting” and the importance of only casting a total of five votes per parcel was explained.
- VI. Special Guest, Arizona State Senator Ron Gould was given an opportunity to speak with an update on activities in Phoenix and the 2006 Legislation Session.
- VII. Pledge of Allegiance.
A. This process was delayed waiting for another Special Guest who was unable to attend.
- VIII. Financial Review (Members of the Board and the Manager)
A. The Board and the Manager reviewed with the Membership, the Santa Fe Ranch Property Owners Association, Inc actual 2005 financial information (income & expenses) vs. the 2005 Budget allocations.
B. The Board and the Manager reviewed, with the Membership, the 2006 Budget.
C. The Board and the Manager reviewed with the Membership the 2005 Dues collection efforts.
D. The Board and the Manager reviewed with the Membership the basis of the \$25.00 Special Assessment effort to obtain sufficient number of Consent Forms to approve the project to complete three road projects generally identified as La Cienega Underground Spring, the Doc Holiday Culvert and the Re-routing of Cheyenne Projects.
1. It was noted that none of these projects have been “engineered” as of this date, and the exact projects won’t be engineered until and unless, the Special Assessment is approved.
- IX. General Discussion (Members of the Board and the Manager)
A. The Board and the Manager reviewed with the Membership, enforcement efforts of the Conditions, Covenants and Restrictions (C. C. & R’s).
1. The Board and Manager reviewed with the membership their 2005 Program designed to test three cases where the C. C. & R’s were clearly violated, and to design an enforcement procedure to be used in 2006.
2. Efforts involving the attorney with the three enforcement cases has produced positive results. Additional follow up will occur in 2006.

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3. The enforcement program evolves around three letters: Courtesy, Demand and Notice of Hearing letters. The owner is then invited to participate in the hearing before the Board, as part of the Board's consideration of its options on what to do, after the owner has refused to comply.

B. Road maintenance review.

1. The 2006 Budget Based Road Grading Program was outlined calling for two full gradings in 2006, with emergency road grading, and ditching and cut-outs being installed in the of months with some roads designated as being in the Transportation Corridor graded monthly and others to be graded every other, or every third month.

X. Open Discussion and Questions.(Each member was given the opportunity to submit questions to the Board and/or Manager)

- A. The Membership supported, and some Board Members accepted favorably a suggestion that the Board do a formal evaluation again this year on the feasibility of purchasing their own graders and hiring employees to provide road grading maintenance for the Association.
- B. The Membership supported and some Board Members agreed that the Board may want to discuss with the County the possibility of improving roads to the County specifications with the idea being that the County would then take over the maintenance of the improved roads.
- C. The Membership suggested that for next year's 2006 Nominating Committee, that there be a restriction that would not allow any potential candidate from participating on that Committee.
- D. It was suggested that the Board look favorably towards approving the Road Grading Committee as a standing committee of the Association.
- E. It was suggested that lot splits be discussed, however it was determined that it would not be appropriate to include the discussion as part of the Annual Meeting, because the Association has no part to play in the splitting process.
- F. Owners on Cheyenne voiced concern over the proposed improvement project. It was made clear that the specifics of the project remain undetermined, pending approval of the project by the membership.
- G. An owner voiced concern over electricity distribution and the ability of the Association to limit its development to above ground, or under ground service. It was made clear that discussion on the development of the infrastructure for electrical service, is not part of the Association's duties.
- H. Many Members in attendance thanked the Board for the services they provide, and they noted just how difficult it is to please the majority of some many owners, and that fact that the Board continues the effort.
- I. A MOTION was made, seconded and unanimously approved to suspend discussion, to allow for the announcement of election results.

XI. The Announcement of the election results.

- A. Election Results
 1. Joan Johnson was elected with a total of 428 votes
 2. Harold "Hal" Fisher was elected with a total of 363 votes
 3. Chuck Bennett was elected with a total of 350 votes
 4. Michael Sawhill was elected with a total of 299 votes
 5. Jeremy Rynders was elected with a total of 263 votes.
 6. Sandra Patereson received 251 votes
 7. Mike Ellis received 184 votes
 8. Rick Crawford received 127 votes
 9. Anna Jennings received 63 votes
 10. Alan Houlihan received 47 votes
- B. Balloting Results
 - 324 Advanced Proxies
 - 5 Meeting Proxies
 - 181 Ballots distributed to owners who attended the meeting.
 - 3 Ballots distributed to Declarant
 - 513 Total of all ballots
 - 2580 Potential number of votes case (Tot. Ballots-Declarant X 5+ Tot. Declarant X 10)
 - 2375 Actual number of votes cast.

XII. Continuation of Open Discussion

- A. An owner suggested that the Association borrow money to pay for improvements, such as the Cheyenne Project. It was explained that the Association has no assets to borrow against.
- B. Many property owners shared concern over the wide spread growth of the Mustard Seed weed, and the devastation caused by its spreading. Efforts are underway to get volunteers to address the problem.
- C. An owner had several questions regarding the financial statement specifically requesting a better breakdown of the costs showing unpaid dues, and costs associated with the collection process.

XIII. Adjournment.

- A. There being no other business to come before the Membership, the meeting was adjourned.