

**Minutes of the Meeting of 3 Canyons Ranch
Master Homeowners Association (MHOA)
Quarterly Board of Directors (BOD) Meeting
June 8, 2011, 5:30 PM, at La Purisima Center**

Board Members Present:

Greg Chouinard (22), Mike Needham (23), Richard Frederici (24), Jack Lang (27)

Officers:

President, Greg Chouinard Secretary, Linda Gleason Treasurer, Jack Lang

Call to Order

The meeting was called to order at 5:33 PM by President, Greg Chouinard

Revision and/or Acceptance of Agenda

A motion was made and seconded to adopt the meeting agenda. The motion to adopt the meeting agenda was carried unanimously.

Revision and/or Acceptance of April 13, 2011 MHOA Board Meeting Minutes

A motion was made and seconded to accept the minutes from the Board of Directors meeting of April 13, 2011 as amended (to note the resignation of Connie Foust 20E during the meeting). The motion to accept the minutes, as amended, was carried unanimously.

Call to Membership

No members requested the floor.

Treasurers Report

A report was given by Treasurer, Jack Lang. (See Financial Statement, page 3)

Committee Reports:

Master Design (MDC)

No report.

Road

A report was given by Rich Frederici. (See 3 Canyons Road Committee Report, page 3)

West Gate

A report was given by Committee Chairman, Tom Pickering and Gate Administrator, John Stone. (See WEST GATE REPORT, page 3)

Business:

Preparation and Submission of Annual Arizona Corporation Commission Report.

Annual Membership Meeting and Election.

-Call for Board Candidates:

It will be posted on the website, and included in these minutes: The Board of Directors request prospective volunteers from sections 20E, 26, and 28 to fill those respective vacant director seats. Since these seats are not up for election this year the Board may appoint interim Directors at a Board meeting.

-Ballot Language Format, Preparation and Mailing

A motion was made and seconded to adopt the Draft Notice of Annual Membership Meeting as amended, Ballot Instructions, Absentee Ballot as amended, and to accept board nominations through June 9. The motion was carried unanimously. (See pages 4 through 6)

Formation of Voting Committee.

A motion was made and seconded to form a Voting Committee consisting of Mark Schmitz, Cathy Chouinard, Lynn Mattingly and Jeri Mattingly. The motion was carried unanimously.

Amendment to Budget for Fiscal Year (July 1, 2011 to June 30, 2012)

A motion was made and seconded to accept the amended budget and for the Treasurer to forward same to counsel's office. The motion was carried unanimously.

Consider Changes to Bank Accounts.

A motion was made and seconded to close the Capitol Checking Account and move the money to the Capitol Savings Account. The motion was carried unanimously. (See Treasurer Position Paper, Page 7)

A motion was made and seconded to open a Regular Saving Account for \$200,000.00 of the excess funds in the Regular Checking Account. The motion was carried unanimously.

(See Treasurer Position Paper, Page 7)

A motion was made and seconded to accept the amended budget and for the Treasurer to forward same to counsel's office. (to be included in the disclosure package) The motion was carried unanimously. (This action supersedes the above amendment to the budget). (See 3 Canyons Ranch MHOA Budget, Page 8)

Rules.

-Amend Existing Rules as Posted on the Website

A motion was made and seconded to accept the proposed amendment to the rules posted on the website as amended. The motion was carried unanimously. (See pages 9 through 11)

-Create Rule for Member Recording of Meetings (HB2245)

Tabled to July to consult with council.

Changes in the ARS affecting Open Meeting requirements for Committees.

Tabled to July

Deer Ridge Road Cut. Discussed, No action taken.

Commons Area Modifications/Maintenance Discussed, No action taken.

Call to Membership

Several members requested the floor.

Adjournment:

The meeting was adjourned at 8:36 PM.

Submitted By: Greg Chouinard

Attachments:

**Financial Statement
3 Canyons Ranch HOA
May 31, 2011**

Commercial Checking	\$276,676.75
Capitol Checking	\$ 2,549.92
Capitol Savings	\$ 69,125.20
Total	\$348,351.87

**3 Canyons Road Committee Report
for
Second Quarter 2011
as of
5 June 2011**

1. 3 Canyons Road patching completed for second quarter.

**WEST GATE REPORT
June 8, 2011**

On May 3, 2011, the West gate was monitored for illegal use. Those members participating in the monitoring were Dick Pomroy, Linda Gleason, Brent McMannon, John Stone, Rich Federici and myself. We wish to thank all those who gave of their time to participate.

We were able to identify 11 codes that were compromised. The owners of these code have been notified and new ones have been issued. It is interesting to note that only one of the violators came from Palominas Rd. All others were from Rio Santiago South.

Submitted by
Tom Pickering
Chairman of the West Gate Committee

Three Canyons Ranch Master Homeowners Association

Notice of Annual Membership Meeting

The Annual Membership Meeting will be held on Saturday July 16, 2011 starting at 9:30 a.m. at the Buena Performing Arts Center Lecture Pod (Buena High School -- 5225 Buena School Blvd; Sierra Vista, Arizona 85635).

Member registration will begin at 9:00 a.m.

The draft agenda for the meeting is as follows:

- Call to Order
- Acceptance of Agenda
- Call to Membership
- Nominations from the floor
- Appeals Concerning Voting
- Voting
- Announcement from West Gate Committee
- Call to Membership
- Announcement of Voting Results
- Adjournment

There will be a meeting of the Board of Directors following adjournment of the Annual membership meeting and an intermission of 90 minutes to allow for a lunch break.

Ballot Instructions and Information

A quorum of the members is necessary to call the meeting to order and conduct any business. Absentee Ballots may be used to establish a quorum. All absentee ballots received on or before the cutoff date will be used for quorum fulfillment purposes. A quorum is 10% of all memberships.

This absentee ballot is valid only for the 2011 Annual Membership Meeting scheduled for July 16, 2011. In order for your absentee ballot to be counted, it must be received at the Post Office no later than July 15, 2011. Once cast, this ballot may not be revoked. This ballot may only be cast by the member to whom it is issued.

Printed above the signature line on the ballot is information concerning your parcel number and number of memberships (votes). This information is taken from County Assessor records. If you feel the information is incorrect, please notify the association.

Each owner shall have the following number of memberships:

- One membership for each full acre in each lot or parcel owned by the member, but no memberships for fractional acre areas, and
- One membership for each one hundred (100) square feet of residential dwelling (including guesthouse) but no membership for less than one hundred (100) square feet.

E.g. A member with a 2100 square foot house on an 8 acre parcel would have 29 memberships (votes).

Membership and Voting are covered in section 6 of the CC&R's. Information concerning the Homeowners Association is available online at az3canyons.com . Please return your ballot to the following address:

3 Canyons Ranch Master Homeowners Association
PO Box 970
Hereford, AZ 85615

Name
Street Address
City, State, Zip

3 Canyons Ranch Master HOA - Absentee Ballot - 2011 Annual Meeting

Vote for Board of Directors. You may split your total number of votes between any of the candidates, including write-ins for sections 19, 21, 23 and 27. Please use the blank candidate spaces for write-ins.

Candidate	Section	Number of Votes
Mike Needham	23	_____
Jack Lang	27	_____
_____	19	_____
_____	21	_____
_____	—	_____
_____	—	_____

Section: 27 Parcel Number: 052 D House (square feet): 2133
Land Acreage: 8 Total Number of Votes: 29

Signature: _____ Date: _____

Treasurer Position Paper

- 1. Recommend closing the Capitol Checking Account and moving the money to the Capitol Savings Account. Justification: Three Canyons has not written a check from this account since 11/2007. There is no expectation of writing a check on this account in the near future. The money is still available. The difference is the Treasurer would have to go to the bank and have a Cashier's check drawn on the Capitol Savings Account.**
- 2. Recommend opening a Regular Saving Account or CD for \$200,000.00 of the excess funds in the Regular Checking Account. Justification: Currently this money sits there and does nothing. A Savings Account would make approximately \$500.00 per year at current rates. A CD would make approximately \$750.00 in nine (9) months. That would leave \$45,000.00 - \$50,000.00 of uncommitted funds. The 2011-2012 Budget is fully funded. The Members money Three Canyons has collected should be working for the Members.**
- 3. Budget adjustment. Recommend the 2011-2012 Budget be adjusted by raising the expenditures by \$5,500.00. Justification: The Insurance Premiums Expenditure was incorrectly calculated by your Treasurer and needs to be raised \$500.00. An Expenditure Line Item for Refundable Construction Deposits needs to be added for \$5,000.00 as there are currently five houses under construction. This will raise Total Expenditures by \$5,500.00 and reduce the Reserve Fund by \$5,500.00.**

**3 Canyons Ranch MHOA Budget
Fiscal Year 07/01/2011 -
06/30/2012**

Projected Income

Regular Assessments	10,500 Memberships (X) \$10.00	105,000
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Projected Expenses

Administration		11,800
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Board	6,000
Master Design Committee	200
West Gate Committee	3,600
East Gate Committee	1,000
Road Committee	0
Documents Committee	1,000

Accounting/CPA Review		2,500
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Attorney		20,000
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Attorney Services	8,000
Litigation	12,000

Insurance		4,400
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Board Officer Liability	1,600
Road /Umbrella Liability	2,300
Gate	500

Lockbox Chase Bank		2,400
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Taxes		4,000
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West Gate Committee		16,700
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Warranty/Maintenance	4,200
Utilities (SSVEC & Quest)	1,000
Projects (Curbing, Culvert, Lighting)	7,000
Gate Maintenance	4,500

Road Committee		20,000
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Road Repair/Patching	10,000
Mowing	4,000
Drainage Ditch Repair	3,000
Deer Ridge Project	3,000

Contingency Fund	10 % of Projected Expenses	8,000
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**Total Projected
Expenses**

89,800

Reserve Fund

15,200

3 CANYONS RANCH MASTERS HOMEOWNERS' ASSOCIATION

ASSOCIATION RULES

Revised June 8, 2011

Association rules are approved by the Board of Directors and are intended to supplement the CC&Rs. Please refer to the CC&Rs for complete governing details.

Dues assessment begins on home construction when the primary foundation is complete. 3/10/99

A \$100 penalty will be charged for not obtaining prior approval of construction plans. 6/9/99

In return for paving the 1st mile of 3 Canyons Road, Wild Horse and Vista Del Oro are excluded from future Capital improvement assessments relating to 3 Canyons Road. 6/26/99

Temporary living quarters are allowed during construction for 9 months if a building permit has been obtained. 8/11/99

Only members of the Association will be allowed to attend Association meetings 8/11/99

Adjoining property owners will not be allowed access to or usage of 3 Canyons Road 10/13/99

Cluster mail boxes are approved at both the East and West end of 3 Canyons Road. 10/13/99

All meetings, when the membership is allowed to attend, will include two "Calls to Membership" with a three-minute time limit per person. At Special Meetings the comments will be limited to the official subject of the Meeting. An additional call to membership will be called after the discussion of each motion made. 12/9/99

A copy of the membership list will be made available to any member of 6 months and good standing upon written request and upon determination that the list will not be sold, used for any commercial purpose including to solicit goods or services or to harass or intimidate other members. A members name and other information will be removed as permitted by law. 2/9/00

Delinquent assessments will cause a lien to be placed against the property assessed. 2/9/00

To assure a quorum, all board members are required to notify an officer of the Board, 24 hours in advance, if they are unable to attend a meeting of the Board of directors. 2/9/00

Non-payment of assessments for 60 days past the due date will result in loss of the right to attend meetings, the right to vote and access to common areas. (Good standing defined) 2/9/00

The Treasurer can adjust assessments only if an obvious error in billing occurred. The Board of Directors must review all other challenges. 9/12/01

All meetings of the association will follow the parliamentary procedures as outlined in "Roberts Rules Of Order". 9/12/01

The treasurer must sign off on all decisions involving the commitment of Association funds except in times of emergency. In times of emergency the President of the Association is allowed to spend up to \$1,000 per occurrence to resolve the emergency situation. A full accounting of the circumstances will be made at the next open session of the Board of Directors. 9/18/02

Gate openers will be provided to every qualified user of the road up to the number of family vehicles registered with the Association. There will be a charge for each opener to defer all material and administrative costs. 9/18/02

The President of the Board will be the only contact with the Attorney and will determine the extent of legal presence needed at all meetings. 10/10/01

A \$400 transfer fee will be charged the buyer/seller to cover the cost of recording the transfer and providing a welcome package. (Revised 1-24-07)

The number of Directors on the Board will be set at 10. 4/11/07

Membership dues are set at \$10.00 per membership.
One Membership is allotted for each full acre of land plus One Membership is allotted for each full 100 sq.ft. of dwelling space. No fractional memberships are allowed.
(Revised 4/13/11)

The gate at Bloomfield at the east end of Deer Ridge Estates will remain locked with keys given only to Bloomfield Road residents. (Revised 4/13/11)

The standard venue for Board meetings is 5:30 pm on the second Wednesday of January, April, June, and October. LOCATION:

Board of Directors meetings are held at the La Purisima Retreat Center, Hereford, AZ 85615. Take Hwy 92 S to Stoneridge Road (approximately 2 miles South of the 3 Canyons entrance) on the right. It's the first building on the left and has a blue roof. 4/13/11

The Association's place of business for documentation review is approved.

Location: **STACHEL & ASSOCIATES, P.C.**

2151 South Highway 92, Suite 100

Sierra Vista, Arizona 85635

www.stachelaw.com · 520.439.4655 fax

520.452.1006

(revised 4/13/2011)

Rule For Section 4.2.6

as authorized by Section 5.4 of the Three Canyons CC&Rs

Exceptions to CC&R Section 4.2.6

- (1) Properly licensed, registered, and operable vehicles such as passenger vehicles, truck models of one ton or less, and motorcycles are allowed to be parked on a garage apron, driveway, or other MDC approved area. At no time shall more than 3 vehicles belonging to a resident or residents be allowed to park in an unscreened area.
- (2) Emergency repairs, or repairs to enable a vehicle to be relocated to an appropriate repair facility, are allowed for a duration not to exceed 24 hours.
- (3) Guest parking for recreational vehicles will be allowed on a driveway, garage apron, adjacent to an electrical hook-up, or other MDC approved parking area with prior MDC approval.

4/13/11