

WOODLAND HILLS COMMUNITY ASSOCIATION

BOARD MEETING MINUTES

The meeting was held on Thursday, February 27, 2025 from 6:00 – 8:00 p.m. at the Pinetop Fire Station, 5976 Buck Springs Road, Pinetop, Arizona. A Zoom Conference link was provided to allow remote participation.

Call to order: The meeting was called to order by Dave Garafano at 6:00 p.m.

Board members present: Dave Garafano, president and Jon Hurtado, secretary

1. Introductions: Gloria Bushnell was introduced as our HOAMCO community manager. Meeting participants in the room and on the video call introduced themselves. Not present: D'Andre Bia, HOAMCO compliance manager for WHCA.

2. HOAMCO Association Management

Need for an Association Management Company: After the loss of our treasurer in 2024 (moved out of the neighborhood) and the lack of volunteers to join the board, there was no choice but to contract with an association management company.

Association Management Company Selection Process: The board identified potential local management companies and conducted a thorough review process, including discussions with company management, evaluation of services offered, local staffing, and pricing options. Ultimately HOAMCO was selected and the company assigned Gloria to WHCA.

WHCA and HOAMCO Roles and Responsibilities: **HOAMCO** will be responsible for: 1) Enforcement of CC&Rs and bylaws, including bi-weekly inspections of the community during warm weather, less frequently in the winter. 2) Management of WHCA finances, including all accounting, bookkeeping, billing, collection of dues/assessments, accounts receivable, accounts payable. HOAMCO's accounting team will produce monthly financial statements once the WHCA accounting reconciliation and audit process is complete. 3) Communications with WHCA owners, including notifications to owners and receipt of and responses to infractions reported by owners. 4) Managing the annual election process. 5) Planning and scheduling board meetings as needed (in coordination with the board). The **WHCA board** will maintain overall responsibility for managing the affairs of the WHCA, including oversight of HOAMCO, review of financial statements, and architectural reviews.

The assignment of roles and responsibilities may change as we progress through the transition process.

Questions (not in the order asked)

Q. WHCA currently uses HOA Express for email and website. Does HOAMCO offer a website service?

A. Yes, but it does not have email capability. Cost depends on community size (e.g., \$75/month for 200 owners).

Q. Are future board meetings going to be open to the community?

A. While open meeting laws do not apply to WHCA as a Title 10 association; there is no objection to having more frequent open meetings. There are questions about the need for additional open meetings (in addition to

the annual election meeting) given low attendance and the simplicity of the association such that there are usually not many issues to discuss.

Q. Suggestion for a document that defines roles and responsibilities so that owners know who to call for specific concerns (e.g., call the police about noise complaints and not the board).

A. The board will draft a document to be shared with owners and post it on the website.

Q. Will the HOAMCO compliance manager take pictures?

A. Yes, pictures will be included with the notices of infraction.

Q. Does HOAMCO have final say on enforcement issues?

A. No, owners can always appeal to the board.

3. WHCA 2025 Budget: The 2025 budget was shared with meeting participants and reviewed in detail. The board plans to conduct an insurance review to ensure appropriate coverages are in place and premiums paid are reasonable. It was noted that an existing policy with an expensive premium was cancelled as it appeared to overlap with the other policy and after numerous attempts to contact the agent were unsuccessful. An updated reserve study is also planned to ensure the reserve account is funded appropriately.

Questions

Q. Can we get a copy of the balance sheet?

A. All financial statements will be made available once the WHCA accounting reconciliation and audit process is complete.

Q. Why was the annual assessment increased by \$100?

A. To cover the cost of an association management company.

Q. Why was the increase shown as a Special Assessment, aren't those only for one-time events?

A. That was a mistake. While the increase was discussed as a potential special assessment, it was determined that it should be processed as an increase to the annual assessment.

Q. Will the increase in the assessment be permanent and should we expect additional increases in the future?

A. The \$100 increase was determined to be sufficient to cover the additional costs. Once the reconciliation, audit process, insurance review, and reserve studies are complete, the board will re-evaluate budgetary requirements. (Note that the annual assessment had not increased for approximately 20 years and was actually reduced a couple times.)

4. WHCA Board: Dave explained the challenges facing the board in recent years, including abusive owners and threats to the safety of board members and property. It is recognized that owners have different preferences for how the community should operate, ranging from those that would prefer no rules whatsoever and those that would like rules and strict enforcement for everything. The board tries to take a balanced approach and to deal with all owners in a friendly and professional manner. It is anticipated that by taking the board out of the enforcement process and having HOAMCO manage it, that such abusive behaviors by a few owners will cease.

Future of the board: The president has agreed to stay on the board until a new board is selected and for a little longer if necessary to ensure a smooth transition. Our current secretary has agreed to support the process until the transition to HOAMCO is complete.

Expectations of board members: Historically, board members were expected to do a fair amount of work, especially the treasurer. Now that HOAMCO is taking on much of the day-to-day management of the

association, the required effort from board members will be significantly reduced. A detailed document of expectations and roles and responsibilities will be developed and shared with the community.

Volunteers needed: Numerous attempts to recruit board members from the community have been unsuccessful. It is anticipated that the lower level of effort required as a result of HOAMCO's management of day-to-day operations will make volunteering more attractive to WHCA owners and result in a full slate of new board members.

Questions

Q. Don't we need to have three board members to have an official board?

A. Ideally we would have three, but after consultation with the attorney, we have learned that we can continue to operate with only one (less than ideal and certainly not a long-term solution).

Q. Wasn't there an attempt to change the bylaws to prohibit part-time residents from serving on the board?

A. Yes, but it was determined to be illegal and discriminatory.

Open discussion: Open discussion items are reflected in the Q&A above.

Meeting conclusion and adjournment: The president thanked everyone for their participation and adjourned the meeting at 7:16 p.m.