

Elk Valley Ranch Property Owners Association

P.O. Box 14198 Tucson, AZ 85732 Phone: (520) 623-2324 Fax: (520) 722-5039

ANNUAL MEETING NOTICE

June 24, 2022

Dear Association Member:

Pursuant to the Bylaws for Elk Valley Ranch Property Owners Association, the Annual Meeting of the Members will be held, as follows:

DATE:	Saturday, July 16, 2022
PLACE:	Hampton Inn & Suites 1501 E Woolford Road Show Low, AZ 85901
TIME:	Sign-in at 9:30 AM; Call to Order at 10:00 AM
AGENDA:	I CALL TO ORDER II PROOF OF NOTICE III ESTABLISHMENT OF QUORUM (Absentee's Counted) IV WELCOME AND INTRODUCTION V REVIEW OF 2021 POA ANNUAL COMMUNITY MEETING MINUTES VOTE VI REPORT OF THE BOARD A. Treasurer's Report B. Road Report C. President's Report VII OPEN FORUM VIII ADJOURNMENT

****The next Board of Directors meeting will be scheduled to occur in the next 2-3 months. Notice and instructions will be posted on the website. Members can attend regularly scheduled Board Meetings via Zoom which allows video or audio attendance. ****

VOTING:

Absentee ballots will be counted to establish quorum; please mail your ballot if you cannot attend. Otherwise, you are welcome to vote at the meeting in person (ballots will be provided at the meeting).

ABSENTEE BALLOT PROCEDURE:

You must be an owner current in your assessments to cast a vote.

When returning the green ballot:

1. It must be placed inside the white pre-addressed return envelope.
2. It can be returned in-person to the management office, via email or via US Mail. If mailing the ballot, it must be received by the final mail drop on **Friday, July 15, 2022.**

Please call Platinum Management at (520) 623-2324 should you have any questions or suggestions regarding the Annual Meeting or any other aspect of your Association.

We look forward to a well-attended Annual Meeting on Saturday, July 24, 2021.

Sincerely,

Erik Warren
Platinum Management, Inc.
e.warren@platinumonline.org
For the Elk Valley Ranch Property Owners Association

Enclosures

**Annual Meeting-Elk Valley Ranch Property Owners Association
Absentee Ballot July 16, 2022:**

Approval of the 2021 Annual Meeting Minutes

For _____

Against _____

ONCE YOU HAVE COMPLETED YOUR BALLOT, PLEASE RETURN VIA EMAIL (e.warren@platinumonline.org), US MAIL OR IN PERSON. IF RETURNING VIA US MAIL, PLEASE SIGN AND SEAL IT IN THE WHITE PRE-ADDRESSED ENVELOPE. BALLOTS MUST BE RECEIVED AT THE ASSOCIATION OFFICE BY 4:30 PM ON JULY 15, 2022.

Name: _____

Signature: _____

Lot/Address: _____

Minutes

Elk Valley Ranch

Property Owners Association

P.O. Box 14198 Tucson, AZ 85732 Phone: (520) 623-2324 Fax: (520) 722-5039

EVRPOA 2021 ANNUAL MEETING MINUTES

Elk Valley Ranch Property Owner's Association Annual Meeting was held on August 7, 2021 in person at The Hampton Inn and Suites – 1501 E Woolford Road, Show Low, AZ 85901.

- I. Call to Order:
Meeting called to order at 10:00 AM by Courtney Kabins. She welcomed all the property owners present and thanked them for coming.
- II. Proof of Notice:
Courtney Kabins with Platinum Management, Inc. stated that a meeting notice was sent on June 11, 2021 to all lot owners.
- III. Establishment of Quorum:
Quorum was established: 40 of 299 lot owners were present in person or via absentee ballot. 16 properties were represented in-person.
- IV. Welcome and Introductions:
Each owner present gave a brief introduction.
- V. Review of 2020 POA Annual Community Meeting Minutes:
The 2020 Annual Meeting Minutes were approved. (Delehanty/Chuck, motion carried)
- VI. Report of the Board:
 - a) Nominating Committee Report: The Board functions as the nominating committee. Three candidates were reviewed and approved to be listed on the ballot for the 2021 election of Directors.
 - b) Treasurers Report: The 2019 Financials were reviewed. No significant change to the annual budget.

ASSETS:

Wells Fargo Operating	\$116,959.68
Wells Fargo Reserve	\$31,257.41
Wells Fargo CD	<u>\$21,866.42</u>
Total: Checking/Savings	\$170,083.51
Accounts Receivable	<\$36,744.62>

- c) Road Committee Report: Twice per year, Chuck Clark and Lee Plat will conduct a survey on the roads within the community to assess storm damage and other necessary repairs. They will work directly with Pinon Valley Excavating to ensure the repairs are completed in a timely manner. Once complete, the road

reports and photos will be posted to the website.

d) President's Report: Don Heard, Board President spoke of the following issues:

- Annual assessments and issues with owner delinquency
- The importance of maintaining roads
- CC&R Enforcement

He also gave a summary of items that he would like to see completed in the next year:

- Better road signage
- Better road maps
- Regularly scheduled road maintenance
- Bylaw resolution to extend Board Member terms to two-years
- Better communication

VII. Election of Directors:

Jim Schulte, Lee Plat and Chuck Clark were elected to serve a one-year term on the Board of Directors for the Elk Valley Ranch Property Owners Association. All present agreed to move the slate (Delahanty/Wells, motion carried)

VIII. Open Forum:

The floor was opened to member comment:

- There is a trash problem on some properties
- Information was requested concerning TEP leasing land for a solar array.
- There are abandoned RVs on some lots.
- Owners would like signs posted to help deter people from dumping.
- Can the CC&Rs be amended to allow hunting on the property (Courtney to follow-up with Apache County).

IX. Adjournment:

With no further questions, Courtney Kabins adjourned the community meeting at 10:48 am.

Respectfully submitted,

Courtney Kabins, CMCA, AMS
Vice President of Operations
Platinum Management, Inc.
For the Elk Valley Ranch Property Owners Association

Financials

12:40 PM
06/22/22
Cash Basis

Elk Valley Ranch Property Owners Association
Balance Sheet
As of December 31, 2021

	<u>Dec 31, 21</u>
ASSETS	
Current Assets	
Checking/Savings	
Wells Fargo Operating	57,833.99
Wells Fargo Reserve	31,258.98
Wells Fargo CD 112123	<u>21,884.94</u>
Total Checking/Savings	110,977.91
Accounts Receivable	
1200 · Accounts Receivable	<u>-12,909.79</u>
Total Accounts Receivable	-12,909.79
Other Current Assets	
12000 · Undeposited Funds	<u>6,244.10</u>
Total Other Current Assets	6,244.10
Total Current Assets	<u>104,312.22</u>
TOTAL ASSETS	<u>104,312.22</u>
LIABILITIES & EQUITY	
Equity	
3000 · Opening Bal Equity	50,778.12
32000 · Retained Earnings	88,441.77
Net Income	<u>-34,907.67</u>
Total Equity	<u>104,312.22</u>
TOTAL LIABILITIES & EQUITY	<u>104,312.22</u>

12:41 PM
06/22/22
Cash Basis

Elk Valley Ranch Property Owners Association

Profit & Loss Budget vs. Actual

January through December 2021

	Jan - De...	Budget	\$ Over B...	% of B...
Income				
Interest Income	43.43			
Lien/Release Assessment	6.00			
Late Fee Income	1,520.00			
Assessment Income	54,201.73	57,216.00	-3,014.27	94.7%
Total Income	55,771.16	57,216.00	-1,444.84	97.5%
Gross Profit	55,771.16	57,216.00	-1,444.84	97.5%
Expense				
6000 · Maintenance				
6065 · Road Inspections	0.00	700.00	-700.00	0.0%
6070 · Signage	233.71			
6030 · Other Contract Services	118.56	200.00	-81.44	59.3%
6060 · Road Repairs	71,589.22	30,000.00	41,589.22	238.6%
Total 6000 · Maintenance	71,941.49	30,900.00	41,041.49	232.8%
1999 · Suspense	-507.00			
6600 · Administration				
6665 · Website	462.35	800.00	-337.65	57.8%
6610 · Insurance	2,258.00	2,500.00	-242.00	90.3%
6620 · Management Fees	8,658.00	8,658.00	0.00	100.0%
6650 · Meetings	0.00	450.00	-450.00	0.0%
6640 · Postage, Printing & Supplies	1,374.74	2,075.00	-700.26	66.3%
6630 · Permits, Fees & Taxes	65.00	60.00	5.00	108.3%
6660 · Legal & Accounting	6,426.25	7,025.00	-598.75	91.5%
Total 6600 · Administration	19,244.34	21,568.00	-2,323.66	89.2%
Total Expense	90,678.83	52,468.00	38,210.83	172.8%
Net Income	-34,907.67	4,748.00	-39,655.67	-735.2%



ELK VALLEY RANCH POA – SOLAR LEASE OPPORTUNITY
ANNUAL MEETING - JULY 16, 2022 (11AM MTN)

Location: Hampton Inn & Suites Show Low
1501 E Woolford Rd, Show Low, AZ 85901

Dear Elk Valley Ranch Landowners:

Landowners of Elk Valley Ranch POA (EVRPOA) have a unique opportunity to be part of the renewable energy revolution to retire coal generating units at the Springerville Station. By leasing your land to replace coal generation with solar energy, you can benefit from higher lease rates for your property. SolarStone proposes to the Elk Valley Ranch Landowners to lease your land for solar, which requires the association and landowners to consider voting “yes” to adopt new rules to the EVRPOA bylaws, for this to be possible.

Tucson Electric Power – Springerville Station (TEP)

TEP plans to stop using coal to generate electricity by 2032 and will need to increase renewables 70% by 2035. TEPs' switch from fossil fuels is detailed in its plan submitted to the Arizona Corporation Commission. Called an Integrated Resource Plan, it will reduce TEP's carbon dioxide emissions 80% by 2035 in the area.

- TEP will replace coal with solar on all or a portion of the 4 generating units and adjacent land, with a total generating output of 1,766MWs.
- Resulting in TEP and its ratepayers saving costs by buying power from 3rd parties outside the area.

SolarStone and its Principles

SolarStone is an experienced utility-scale solar developer with over 60 years of cumulative experience in energy projects. Principles developed \$3billion of operating renewable projects over their careers. Currently, SolarStone has over 3,500 MWac of large utility-scale solar projects in development across the US.

Opportunity for Elk Valley Ranch POA and Landowners

Solar provides the highest and best use of the land in terms of higher lease values. Landowners involved in the project will receive above-market lease rates annually, over the life of the 35-year agreement (see offer details below). All landowners will benefit in one or multiple ways; First, the signing option payment: Second, the annual land lease payment for solar equipment on your property once the project

is operating; and Third, the annual Community Payment for all of those unable to participate in a land lease.

Project Characteristics & Development process

- The project works with the characteristics of the land and endeavors to maintain the natural setting.
- Screening may be added near existing homes with required setbacks from the solar facility.
- The design of the site and materials will address concerns about the natural habitats of existing wildlife and grazing pathways.
- The project may be phased in 100MW tranche solar facilities (700 acres), to work with interested landowners, topography, and other constraints to provide desirable site characteristics.
- Solar complements other forms of energy development and does not exclude other options that the EVRPOA may consider now or in the future.
- Development Term: Requirements to finance & construct the project include Permits & Environmental, Critical Issues Analysis, Design, Construction and Engineering, and Interconnection steps.
- SolarStone looks to work with landowners, to design in consideration with the importance of the project to its neighbors.

SolarStone Offer:

- Landowners leasing land for solar equipment to be installed will receive an annual \$500 per acre lease payment, including an annual compounding escalator of 2% for 35 years. For example: on a typical 38-acre lot leased for solar, the first-year lease payment is \$19,000.
- All Landowners in the EVRPOA not leasing land will benefit from an annual "Community Payment" of \$15 per acre payment for 35 years.
- The Elk Valley Ranch POA will receive an annual payment for various services that need to be performed by the Property Management Company, once operational. The annual payments are managed by the POA and may be used at their discretion. The annual payment is based on \$10 per acre for the operational acreage of the solar facility (approximately a \$7,000 annual payment per 100MWs).
- The development period is 7 years and will end once operational, transitioning to the 35-year lease term.
- Each landowner that enters into an agreement will receive a one-time signing option payment of \$500.

Next Steps:

EVRPOA to create and adopt rules that allow solar land use in the bylaws, this will require the landowners to vote "yes" to approve solar. The vote will be held at:

EVRPOA Annual meeting on July 16, 2022 (11am MTN).

Location: Hampton Inn & Suites Show Low

1501 E Woolford Rd, Show Low, AZ 85901

Upon approval by the Landowners & Association, SolarStone will begin engaging with all interested landowners. SolarStone will be available for any questions from landowners, the Board, and Platinum Management. A copy of the full presentation may be available upon request. We look forward to engaging landowners on the project and bringing clean energy to the community.

Thank you,



Jeff Bertch

VP of Development

SolarStone Development LLC

Ph: 612-978-4590

Email: jeff.bertch@solarstonepartners.com