

**HOWARD MESA PROPERTY OWNERS
ASSOCIATION**

ANNUAL MEETING

AUGUST 16, 2025

**STATE OF HOWARD MESA PROPERTY OWNERS
ASSOCIATION
AUGUST 16, 2025**

GREETINGS

The state of the Association continues to be a strong and stable one both financially and as a community of concerned and responsive citizens. The past year we've welcomed several new owners and residents, many with a desire to help our rural community by keeping it rural. We've seen new homes sprouting up and building plans filed. There's also been a huge jump in valuations as people countrywide notice our peaceful and friendly way of life here and the natural beauty and are attracted to buy into Howard Mesa. We're not like other big city or suburban HOAs. This is a rural community on a working cattle ranch. Most people moved here to get away from city and suburban life to enjoy the rural atmosphere. We ask only that you abide by our simple CC&Rs and county codes. Respect your neighbor's privacy and take ownership of our community. We run this place without any outside management and your board members are owners and volunteers who live here. There are no part time or full time employees. Our budget is primarily for roads maintenance with a small portion for administering the operation to keep everything legal and transparent.

There are an increasing number of people either settling here permanently or visiting their property on an occasional basis. Of course we do get the occasional trespasser and we move quickly to inform them politely to move on. Most people have been owners for years and just now have decided this to be their forever or retirement home. That can result in a bit of a culture shock if they've never lived in a rural community. Town is 23 miles away and there's not much there. You'll have to drive 60+ miles to Flagstaff or 100 miles to Prescott for the big box stores, serious shopping and restaurants. And it's hard to find good help that's reasonable, reliable or will actually finish what they started. If you've just moved here ask your neighbors first for recommendations. Don't jump on the first Valle or Williams facebook ad. There are a number of transient people who may be what you're looking for and there are some who say they can do whatever you want but don't have the tools or capability. Word is ask your neighbors first. Ask board members then call around. Use licensed people if you can. This all sounds elementary but even us old timers get skunked once in a while. Caveat Emptor.

We have a contract with each owner called the CC&Rs. It is a legal contract and enforceable. We pay attention to it as a board but we don't drive around looking for violations. We count on your neighbors to alert us to a situation or problem. If it's a clear violation we'll first contact that person and talk about it and how to resolve it. If we're unable to get a resolution we'll send a letter to that person to correct it or face legal action. That person's neighbors can also seek legal action. Fortunately in the past 25 years there's been no such situation. However, with more people moving here permanently we may eventually face that situation. How do we react? Know your neighbors. Talk to them. We're a tight community. You'd be surprised how well that works. As I said before, the board is made up of owner/residents. We're not hired HOA managers. We follow the rules of a legal HOA but our primary charter is road maintenance.

In this report we'll cover the current status of the roads, the whole 50+ miles of them, what we've done and what we're planning to do. We're also providing the financial status of the association. How your dues was spent in 2024 and what's been done so far in 2025. We're also seeking nominations to the board for the election in August 2026. The entire board, 9 people are up for reelection. We'll outline the process for that here as well.

ROADS STATUS

Since our last annual meeting in August 2024 the most striking difference in roads maintenance has been the weather. As unpredictable as it is, it has broken records in a serious lack of moisture. The year 2024 saw a lower than normal monsoonal rainfall amount along with some torrential periods of rain that damaged some roads. We also saw a very dry winter of 2024/25 until late. Dry, hardpacked roads are a problem. Blading only picks up exposed large rocks that leave potholes. It also pushes off the road mix that has turned to marbles that roll off when people speed. You can't put material down on such roads with heavy traffic because of that. Typical roadmix that we use is "minus" cinders (refers to the size of the cinders), sand and clay. Extended dry spells prevent absorption and the mix become marbles. When we do get the moisture it will then pool on the roadsides or in the road. Blading in these conditions is a temporary bandaid that seriously increases cost to repair when weather permits. We can blade some washboarding but remember the blade must be 2 inches above the road so there will still be some washboarding which will only get worse as people continue to drive on those roads with some at breakneck speed. The result? More money in our accounts that shouldn't be spent until weather permits and as necessary. One more thing Getting a substantial snow as we did late this past winter was a blessing however we've asked that people not plow the snow off the roads. We want that moisture to soak into the roadbed. Please remember that this winter.

This May 1, 2025 the Common Roads became the responsibility of 4Hills. We still meet regularly with 4Hills to discuss what areas of the Common Roads needs focused attention. Last year we appropriated an additional \$10,000 for 3 specific areas of Jackrabbit, Big Elk and Latigo. 4Hills appropriated an additional \$15,000 for those projects. It was determined that Latigo would need nearly double the amount of roadmix than proposed. The exceptional dry weather delayed the Latigo project and the Big Elk project. We hope to complete what we started on the common roads before winter. Again, this is now 4Hills responsibility to service.

In 2024/2025 we determined to repair the serious damage that occurred to Hackamore and North Lariat, known affectionately as Dead Man's Curve. The North Lariat curve has seen multiple incidents of lost control including a water truck rollover and cars going off the road. That road was widened and raised with more cinders added along with signs to slow traffic to 5mph. The cost for that was about \$25,000. Hackamore was washed out during a rainstorm and flash flooding.

The road was washed away exposing the culverts and boulders that rolled onto the roadway. The road was repaired at a cost of \$4,000. Repairs were also done to Clove Hitch to break up exposed bedrock on a steep drop off of the road. Weather permitting we will add some cinders to help stabilize the road. Other projects completed this year include Red Tie road which has deteriorated over the years with increased usage. The road was bladed and topped with a road mix with larger cinders as requested by the residents. We are currently working on Single Tree which had a temporary road for the residents. The road will be bladed, widened and ditched with a 4 inch base.

The plan for the south end right now is to add more roadmix rather than blading to get the road crowns reestablished after years of use. Our road committee is currently made up of board members however if you notice any road issues that need attention please notify any board member so we can examine and consider the appropriate action.

COMMON ROADS

2024-2025 ANNUAL REPORT

May 1, 2024 – April 30, 2025

TO: Cliff Hall, President Howard Mesa Ranch POA
Thad Johnson, President Four Hills Ranch POA

The Fiscal Year ended on **April 30, 2025**, with a balance of **\$10,165.03** in the HMR-FHR Joint Common Roads Account and a balance of **\$4,895.97** in the Common Roads Reserve Account.

The Four Hills Ranch POA became the Primarily Responsible Association on May 1, 2025, and will continue in that role until April 30, 2028.

The **Road Maintenance Agreement** was established on April 30, 2015, for a 10-year period. Unless cancelled by a 51% vote of both POA Boards, the **Agreement** automatically renews for another 10 years. Since no cancellation vote was taken, the **Agreement** remains in effect for 2025-2035.

2024-2025 Annual Review

- The year began on May 1, 2024, with a balance of **\$32,295.27** (The balance includes the annual contribution of \$25,200 plus the \$7,095.27 balance from the prior year.)
- 2024-2025 expenses totaled **\$35,670.24**. The total includes \$1,985.24 (6%) for accounting costs and \$33,685 (94%) for road maintenance.
- Included in the \$33,685 spent for road maintenance was a **Special Project** on Big Elk and Jackrabbit Roads. The project included 40 loads of road mix materials and 6 hours of blading for a total cost of **\$13,540**. The cost of the **Special Project** was split 60/40 between the two (2) POAs.
- There are no disputes or problems to report for the 2024-2025 fiscal year due to the excellent working relationship and communications between the two (2) Association Presidents.

Common Roads Budget

- Over the years, increased costs (hourly rate, road mix material, and fuel surcharges) necessitated additional resources to maintain the same level of services and maintenance for the Common Roads.
 - The **Road Maintenance Agreement** established the first Common Roads Budget at **\$14,400** and the budget remained unchanged for 2015-2018
 - The Budget increased to **\$16,600** for fiscal years 2018-2020, to **\$18,260** for fiscal years 2020-2022, and to **\$21,000** for fiscal years 2022-2024. The Presidents agreed to carryover the \$16,380.92 balance from the prior year into the 2023-2024 budget.
 - The Budget increased to **\$25,200** for fiscal years 2024-2026. (FHR \$15,120 and HMR \$10,080.)
- The 2026-2028 Common Roads Budget will be reviewed during the 2025-2026 Fiscal Year.

The 2024-2025 Detailed Budget/Expense Report and the **2025-2026 Annual Common Roads Plan** are included as part of the Annual Report.

Many thanks are extended to both Cliff and Thad for making the 2024-2025 Fiscal Year a success for the Common Roads and for the two Associations. Your leadership is greatly appreciated by all.

Road Maintenance Agreement

Annual Common Roads Plan

May 1, 2025 – April 30, 2026

Definitions:

- **Road Maintenance:** *Blading the surface of the roads to create a smooth surface, ditching to control the water flow, and adding road mix/gravel as needed to maintain the integrity of the road.*
- **Road Improvement:** *Work that has not been done before such as adding culverts, or new construction of the road surface. Road Improvements are NOT to be paid for from the Annual Budget.*
- **Road Repair:** *Immediate and necessary work needed to make the road passable or safe, such as snow plowing, repairing ruts or damage from vehicles, or erosion caused by heavy rain or snow. Reserve funds or additional funds may be used for emergencies.*

Record Keeping:

- FHR will maintain a tracking log of all the common roads work that includes the invoice number, date, location, cost, and work description.
- Invoices for all work completed will be provided to both Association Presidents.
- FHR will forward invoices to the Account Administrator for payment to contractors.

Communications:

- FHR will distribute Quarterly Reports to the Presidents of both POAs.
- By May 31st of each year, FHR will provide an **Annual Report** to the Presidents of both POAs..
 - The Annual Report will include details of work completed, annual revenue/expenses, the Annual Common Roads Plan for the following year, and any other information deemed relevant.

Plan Requirements:

- The **Annual Common Roads Plan** is developed by the Primarily Responsible Association and includes the annual blading schedule and budget.
- **Blading Schedule:**
 - Quarterly: May – July Aug. – Oct. Nov. – Jan Feb. – April.
- **Budget: \$35,665**

2025-2026 Budget	Cost Estimates	Description FHR 60% = \$15,120, HMR 40% = \$10,080
Accounting & Bank Fees	\$ 2,000	\$165/mon. for accounting, fees, and supplies.
Blade/Ditch Work	\$23,200	145 hrs. for 3-4 Blading's @ \$160/hr.
Road Mix/Gravel	\$10,165	29 Loads @ \$350/Load
Total Projected Expenses	\$35,365	
2025-2026 Contributions	\$25,200	FHR \$15,120, HMR \$10,080
2024-2025 Budget Carryover	\$10,165	
Total Projected Revenue	\$35,365	

2024-2025 Annual Common Roads Plan
Budget/Expense Details

Date	Ck #	Accounting Expenses	# Hrs.	Road Maintenance	# Loads	Road Mix Expenses	Deposits	Budget Balance
Budget		\$ 2,000		\$ 17,280	18	\$ 5,920		\$ 25,200.00
					2023-2024 Balance			\$ 7,095.27
Revised Budget		\$ 2,000	135	\$ 24,375	18	\$ 5,920		\$ 32,295.27
04/23/24	1162		21	\$ 3,780.00	3	\$ 975.00		\$ 27,540.27
05/01/24	1161	\$ 150.00						\$ 27,390.27
05/29/24	1163	\$ 150.00						\$ 27,240.27
07/01/24	1164	\$ 150.00						\$ 27,090.27
08/02/24	1165	\$ 150.00						\$ 26,940.27
09/04/24	1166		15	\$ 2,700.00				\$ 24,240.27
09/04/24	1167	\$ 150.00						\$ 24,090.27
10/02/24	1168	\$ 150.00						\$ 23,940.27
10/02/24	1169		23	\$ 4,140.00				\$ 19,800.27
10/31/24	1170	\$ 150.00						\$ 19,650.27
12/12/24	1171	\$ 150.00						\$ 19,500.27
12/27/25	1172			\$ 4,050.00				\$ 15,450.27
12/31/25	1173	\$ 150.00						\$ 15,300.27
12/31/24	1174			\$ 540.00		\$ 13,000.00		\$ 1,760.27
12/31/24		FHR Deposit					\$ 8,124.00	\$ 9,884.27
01/31/25	1175	\$ 185.24						\$ 9,699.03
03/05/25	1176	\$ 150.00						\$ 9,549.03
04/07/25		HMR Deposit					\$ 5,416.00	\$ 14,965.03
04/13/25		FHR 25-26 Contribution					\$ 15,120.00	---
04/24/25		HMR 25-26 Contribution					\$ 10,080.00	---
04/28/25	1177	\$ 150.00						\$ 14,815.03
04/28/25	1178	\$ 150.00						\$ 14,665.03
04/30/25	1179		27	\$ 4,500.00				\$ 10,165.03
Total Expenses		\$ 1,985.24	86	\$ 19,710.00	3	\$ 13,975.00	\$ 13,540.00	\$ 35,670.24
Net		\$ 14.76	49	\$ 4,665.00	15	\$ (8,055.00)		\$ 10,165.03

Common Roads Reserve Account			Balance	\$8,000 Target per Agreement			Balance
04/30/15	Agreement Established		04/30/25	Agreement Renewed for 10 Years			
04/30/16	FHR	Year 1	\$ -	04/30/26	FHR	Year 11	
04/30/17	FHR	Year 2	\$ 7,245.37	04/30/27	FHR	Year 12	
04/30/18	HMR	Year 3	\$ 7,249.01	04/30/28	FHR	Year 13	
04/30/19	HMR	Year 4	\$ 7,236.00	04/30/29	HMR	Year 14	
04/30/20	FHR	Year 5	\$ 7,216.43	04/30/30	HMR	Year 15	
04/30/21	FHR	Year 6	\$ 7,193.83	04/30/31	HMR	Year 16	
04/30/22	FHR	Year 7	\$ 4,910.88	04/30/32	FHR	Year 17	
4/30/2023	HMR	Year 8	\$ 4,894.00	04/30/33	FHR	Year 18	
4/30/2024	HMR	Year 9	\$ 4,895.00	04/30/34	FHR	Year 19	
4/30/2025	HMR	Year 10	\$ 4,895.97	04/30/35	HMR	Year 20	

Annual Budget (60% FHR, 40% HMR)	
2015-2018	\$ 14,400
2018-2021	\$ 16,600
2021-2022	\$ 18,260
2022-2024	\$ 21,000
2024-2026	\$ 25,200

FIRE HELP

We continue to support High Country Fire Rescue with annual dues which have increased to \$5000 per year. We selected and installed fire water tanks at 4 select locations in Howard Mesa. These tanks are approximately 1200 to 1500 gallons of non-potable water and labeled FIRE. This year the tanks were turned over to High Country Fire Rescue.

We are still in a fire restriction phase which means no open fires. That means NO CAMPFIRES, NO TRASH BURNING, NO BARBEQUES UNLESS IT'S PROPANE. The Canyon's North Rim is still burning. Please don't burn us out'

LIENS

We are placing liens on delinquent accounts. The primary purpose of these liens are to ensure Howard Mesa is able to collect past due annual dues when properties change hands through sales or transfers. There are a number of corporate and bank owned properties who've never paid the dues and must be liable to pay those dues as part of closing costs. That doesn't mean if you're late getting in your dues payment we'll slap a lien on you. If you've missed a couple years we may call you to see if everything is ok or we need to work something out. Our dues are among the lowest in northern Arizona because we are self governing, we run this community ourselves. Our dues are primarily to keep the roads as best we can and if you drive around to other HOA/POA communities you'll see our roads are among the best.

VOLUNTEERS

If you wish to volunteer you're invited to let the board know what services you can provide. Typically volunteers are just that and not paid contractors. The work they volunteer for are unpaid positions. Volunteering to help out a neighbor or other owner is between the volunteer and the owner on private property.

Volunteers cannot work on Howard Mesa roads, etc., without a Release of Liability or Hold Harmless agreement and proof of insurance. If they provide a paid service they must provide the same documentation and the board will approve such estimated costs provided by them. Volunteers are free, contractors are paid. Both need releases.

9:45 AM
03/04/25
Cash Basis

Howard Mesa Ranch POA
Profit & Loss
January through December 2024

	Jan - Dec 24
Ordinary Income/Expense	
Income	
10 Acres 2024	11,624.90
36 Acres	
2023	1,191.40
Prior Years	3,944.20
Total 36 Acres	5,135.60
36 Acres 2024	43,898.60
Insurance Claim	1,445.00
Interest Income	263.53
Lunch Annual Meeting	132.00
Operations	
Late Fees	1,202.15
Mailboxes	375.00
Total Operations	1,577.15
Transfer Fee	1,500.00
Total Income	65,576.78
Expense	
Annual Meeting	2,173.14
Bank Charges	154.00
Fee	22.27
Fire Services	5,000.00
Insurance Expense	1,597.00
Office Supplies	161.66
Postage and Delivery	84.00
Printing	50.00
Professional Fees	
Attorney	1,745.00
Total Professional Fees	1,745.00
Reconciliation Discrepancies	9.97
Repairs and Maintenance	
Association Roads	32,630.00
Common Roads	10,080.00
Total Repairs and Maintenance	42,710.00

9:45 AM
03/04/25
Cash Basis

Howard Mesa Ranch POA
Profit & Loss
January through December 2024

	Jan - Dec 24
Security Cameras	446.17
Signage	174.97
Snow Plowing	425.06
Website	189.81
Total Expense	54,943.21
Net Ordinary Income	10,633.57
Net Income	10,633.57

9:46 AM
03/04/25
Cash Basis

Howard Mesa Ranch POA
Balance Sheet
As of December 31, 2024

	Dec 31, 24
ASSETS	
Current Assets	
Checking/Savings	
Checking #4518	4,248.15
Money Market #7677	43,772.06
Total Checking/Savings	48,020.21
Total Current Assets	48,020.21
TOTAL ASSETS	48,020.21
LIABILITIES & EQUITY	
Equity	
Equity	37,386.64
Net Income	10,633.57
Total Equity	48,020.21
TOTAL LIABILITIES & EQUITY	48,020.21

9:32 AM
08/07/25
Cash Basis

Howard Mesa Ranch POA
Profit & Loss YTD Comparison
July 2025

	Jul 25	Jan - Jul 25
Ordinary Income/Expense		
Income		
10 Acres 2024	0.00	404.40
10 Acres 2025	0.00	9,688.96
36 Acres		
Prior Years	0.00	3,228.70
Total 36 Acres	0.00	3,228.70
36 Acres 2024	0.00	1,787.10
36 Acres 2025	0.00	48,071.91
Interest Income	8.63	54.87
Operations		
Late Fees	0.00	407.85
Mailboxes	75.00	75.00
Total Operations	75.00	482.85
Transfer Fee	100.00	400.00
Total Income	183.63	64,118.79
Expense		
Annual Meeting	950.00	950.00
Bank Charges	12.00	115.50
Billing Services	0.00	2,250.00
Computer and Internet Expenses	0.00	225.17
Mailboxes	0.00	2,276.97
Professional Fees		
Attorney	875.00	966.35
Total Professional Fees	875.00	966.35
Repairs and Maintenance		
Association Roads	0.00	12,005.00
Common Roads	0.00	15,496.00
Gate	0.00	475.00
Total Repairs and Maintenance	0.00	27,976.00
Taxes	0.00	99.06
Website	0.00	217.95
Total Expense	1,837.00	35,077.00
Net Ordinary Income	-1,653.37	29,041.79
Net Income	-1,653.37	29,041.79

9:28 AM
08/07/25
Cash Basis

Howard Mesa Ranch POA
Balance Sheet
As of July 31, 2025

	Jul 31, 25
ASSETS	
Current Assets	
Checking/Savings	
Checking #4519	9,319.65
Money Market #7877	67,742.35
Total Checking/Savings	77,062.00
Total Current Assets	77,062.00
TOTAL ASSETS	77,062.00
LIABILITIES & EQUITY	
Equity	
Equity	48,020.21
Net Income	29,041.79
Total Equity	77,062.00
TOTAL LIABILITIES & EQUITY	77,062.00

9:28 AM

08/07/25

Cash Basis

Howard Mesa Ranch POA
Profit & Loss
July 2025

	Jul 25
Ordinary Income/Expense	
Income	
Interest Income	8.63
Operations	
Mailboxes	75.00
Total Operations	75.00
Transfer Fee	100.00
Total Income	183.63
Expense	
Annual Meeting	950.00
Bank Charges	12.00
Professional Fees	
Attorney	875.00
Total Professional Fees	875.00
Total Expense	1,837.00
Net Ordinary Income	-1,653.37
Net Income	-1,653.37

9:34 AM
08/07/25
Cash Basis

Howard Mesa Ranch POA
Profit & Loss
January through July 2025

	Jan - Jul 25
Ordinary Income/Expense	
Income	
10 Acres 2024	404.40
10 Acres 2025	9,688.96
36 Acres	
Prior Years	3,228.70
Total 36 Acres	3,228.70
36 Acres 2024	1,787.10
36 Acres 2025	48,071.91
Interest Income	54.87
Operations	
Late Fees	407.85
Mailboxes	75.00
Total Operations	482.85
Transfer Fee	400.00
Total Income	64,118.79
Expense	
Annual Meeting	950.00
Bank Charges	115.50
Billing Services	2,250.00
Computer and Internet Expenses	225.17
Mailboxes	2,276.97
Professional Fees	
Attorney	966.35
Total Professional Fees	966.35
Repairs and Maintenance	
Association Roads	12,005.00
Common Roads	15,496.00
Gate	475.00
Total Repairs and Maintenance	27,976.00
Taxes	99.06
Website	217.95
Total Expense	35,077.00
Net Ordinary Income	29,041.79
Net Income	29,041.79

9:24 AM

08/07/25

Howard Mesa Ranch POA
Reconciliation Detail
 Checking #4519, Period Ending 07/31/2025

Type	Date	Num	Name	Clr	Amount	Balance
Beginning Balance						11,075.65
Cleared Transactions						
Checks and Payments - 3 items						
Check	07/08/2025	2689	Tony Colturn	X	-875.00	-875.00
Check	07/08/2025	2692	TNT	X	-450.00	-1,325.00
Check	07/31/2025	EFT	National Bank	X	-6.00	-1,331.00
Total Checks and Payments					-1,331.00	-1,331.00
Deposits and Credits - 1 item						
Deposit	07/31/2025	DEP	Ray Diaz	X	75.00	75.00
Total Deposits and Credits					75.00	75.00
Total Cleared Transactions					-1,256.00	-1,256.00
Cleared Balance					-1,256.00	9,819.65
Uncleared Transactions						
Checks and Payments - 1 item						
Check	07/08/2025	2691	Trail Born		-500.00	-500.00
Total Checks and Payments					-500.00	-500.00
Total Uncleared Transactions					-500.00	-500.00
Register Balance as of 07/31/2025					-1,756.00	9,319.65
Ending Balance					-1,756.00	9,319.65

16

9:24 AM

08/07/25

Howard Mesa Ranch POA
Reconciliation Summary
Checking #4519, Period Ending 07/31/2025

	Jul 31, 25
Beginning Balance	11,075.65
Cleared Transactions	
Checks and Payments - 3 items	-1,331.00
Deposits and Credits - 1 item	75.00
Total Cleared Transactions	-1,256.00
Cleared Balance	9,819.65
Uncleared Transactions	
Checks and Payments - 1 item	-500.00
Total Uncleared Transactions	-500.00
Register Balance as of 07/31/2025	9,319.65
Ending Balance	9,319.65

8:42 AM

08/07/25

Howard Mesa Ranch POA
Reconciliation Detail
Money Market #7877, Period Ending 07/31/2025

Type	Date	Num	Name	Clr	Amount	Balance
Beginning Balance						67,639.72
Cleared Transactions						
Checks and Payments - 1 item						
Check	07/31/2025	EFT	National Bank	X	-6.00	-6.00
Total Checks and Payments					-6.00	-6.00
Deposits and Credits - 2 items						
Deposit	07/08/2025			X	100.00	100.00
Deposit	07/31/2025	DEP	National Bank	X	8.63	108.63
Total Deposits and Credits					108.63	108.63
Total Cleared Transactions					102.63	102.63
Cleared Balance					102.63	67,742.35
Register Balance as of 07/31/2025					102.63	67,742.35
New Transactions						
Checks and Payments - 1 item						
Check	08/06/2025	DEP	Al Garcia		-75.00	-75.00
Total Checks and Payments					-75.00	-75.00
Deposits and Credits - 1 item						
Deposit	08/04/2025				754.80	754.80
Total Deposits and Credits					754.80	754.80
Total New Transactions					679.80	679.80
Ending Balance					782.43	68,422.15

8:42 AM

08/07/25

Howard Mesa Ranch POA
Reconciliation Summary
Money Market #7877, Period Ending 07/31/2025

	Jul 31, 25
Beginning Balance	67,630.72
Cleared Transactions	
Checks and Payments - 1 item	-6.00
Deposits and Credits - 2 items	108.63
Total Cleared Transactions	102.63
Cleared Balance	<u>67,742.35</u>
Register Balance as of 07/31/2025	67,742.35
New Transactions	
Checks and Payments - 1 item	-75.00
Deposits and Credits - 1 item	754.80
Total New Transactions	<u>679.80</u>
Ending Balance	<u>68,422.15</u>

Financial Report
Checks Used January 1, 2025 to July 31, 2025

Check No.	Issued To	Date	Amount	Ref
2676	Brian Marsh	1/16/25	\$1660.00	Inv 2, 3
2677	Brittany Anslow	1/16/25	\$24.99	Flowers Schumann
2678	Troutman	1/16/25	\$2250.00	Annual Fee
2679	Law Office	1/16/25	\$91.35	Balance Owed
2680	CZ Trucking	1/16/25	\$5985.00	Inv 1076, 1082
2681	Not Used			
2682	IRS	3/7/25	\$49.06	Tax Due
2683	AZ Treasury	3/7/25	\$50.00	Tax Due
2684	Chris Best	3/27/25	\$225.17	Internet Service
2685	Weiss CPA	3/27/25	\$5416.00	Common Roads
2686	Weiss CPA	4/10/25	\$10,080.00	Common Roads
2687	Weiss/4Hills	5/2/25	\$2276.97	Mailbox Bank
2688	Rob Brown	5/6/25	\$475.00	Traffic Sign Install
2689	Law Office	5/31/25	\$875.00	Inv 35660
2690	CZ Trucking	6/11/25	\$3,460.00	Inv 1095
2690	Trailborn/Miss Kitty's	7/15/25	\$500.00	Mtg Deposit

PROPOSED BUDGET 2026

ITEM		2025	2026
Income	Total Estimated Collected From Assessments and Other Income	\$75,000.00	\$75,000.00
	Additional Cash Available	\$42,710.00	\$45,000.00
	TOTAL ESTMATED INCOME	\$117,710.00	\$127,000.00
Expenses	Fire/EMS	\$ 5,000.00	\$ 5,000.00
	Insurance	\$ 3,000.00	\$ 3,000.00
	Office, General	\$ 4,000.00	\$ 4,000.00
	Fees, Taxes, Professional Expenses	\$ 6,000.00	\$ 6,000.00
	Roads, Grading	\$45,000.00	\$ 45,000.00
	Roads, Material	\$30,000.00	\$ 30,000.00
	Roads, Common	\$10,080.00	\$ 10,080.00
	TOTAL EXPENSES	\$103,080.00	\$103,080.00
	Net Balance For Additional Projects	\$14,630.00	\$23,920.00
Proposed Additional Expenses			
	Signs	\$ 1,000.00	
	New Roads, culverts	\$ 5,000.00	
Balance Forward		\$17,920.00	

BOARD NOMINATIONS

THE BOARD

Board members are elected to serve at least 3 years and the positions are voluntary. The board currently consists of 9 members. Alternate members don't have voting rights unless replacing an absent member. The meetings are held quarterly and may be open to owners.

The next election is in August 2026. We are seeking nominations to the board at this time. You must be a full time resident of Howard Mesa phase 1 and the owner of the property you reside on. If you'd like to offer your services as a board member please submit a short bio and paragraph on what you would bring to the board to in experience, abilities, etc., that can help us maintain our community. Hint: we're not looking to turn this into some Scottsdale or Orange County HOA. We don't care what color your house is, when if ever you cut your lawn or the wood or old generator in your boneyard. We don't want streetlights, paved roads or specific trash pickup days. This is why we bought here and chose to live here. We're not going to dismiss any nomination but you should let people know what your plans are.

Get your nomination to the board by December 31, 2025. We will distribute the nominations to the owners by the first quarter of 2026 and vote before the August 2026 Annual Meeting. Results will released at that time.

Now, how do we count them. According to our By-Laws there must be a majority of 36+ acre lot owners and minority 10 acre lot owners such as 5 to 4, 4 to 3, etc. The top 5 36+ acre lot owners and top 4 10 acre lot owners will be selected. Current board members are also up for reelection and are also subject to a position in the count. Everyone has to submit their nomination before December 31, 2025. The filled positions will be in office from January 1, 2027 to December 31, 2029.