



THE KNOLLS PROPERTY OWNERS ASSOCIATION

BOARD OF DIRECTORS MEETING MINUTES

Wednesday, October 29, 2025 | 4:00 PM

Central Arizona Association of Realtors Board Room, Payson, AZ

1. Call to Order

The meeting was called to order at 4:12 PM by President Mark Pelley.

Board Members Present: Mark Pelley (President), Stewart Osgood (Treasurer/Vice President), Whitney Fentress (Secretary), and Marc Van Neuren (Board Member).

Absent: Art Rogers (Board Member).

A quorum was established.

Residents in Attendance: Mary Pelley, Blake Fentress, Bill Davis, Carl Shumaker, Kathy Shumaker, Todd Christianson, Andrea Christianson, Diane Steele, Gary Williams, Heather Williams, Bob Hartman, Dee Hartman, Brian Page, Kathleen Quirk, Lauren Keffer, Bill Doss, and Diana Doss.

2. Open Forum

Property owners were invited to share questions and comments:

- **Bark Beetles:** Dee Hartman expressed concern about bark beetle-infested trees on a nearby vacant lot. President Pelley noted that the Fire Safety Committee has identified several properties with potential infestations and that owners will be contacted regarding removal.
- **Weed Growth:** Bob Hartman inquired who maintains vegetation along Highline Drive. President Pelley confirmed that the Town of Star Valley maintains the area directly adjacent to the roadway.
- **Erosion Concerns:** Diane Steele asked if the rockwork used for erosion control could be extended to a section of Monument Trail. President Pelley suggested she send photos to Star Valley Town Manager Tim Greir.
- **Town Boundaries:** Brian Page asked about jurisdiction boundaries. President Pelley confirmed that Chaparral Pines and The Rim Golf Club are in Payson, and The Knolls is entirely within the Town of Star Valley.
- **Emergency Access:** Lauren Keffer asked about neighborhood escape routes. President Pelley stated this topic would be covered later in the meeting.

3. Committee Reports and Updates

Architectural Control Committee (ACC)

President Pelley reported that the Architectural Control Committee (ACC) reviews and approves architectural requests for new construction and property improvements, typically providing a response within 2–4 days. For new home construction, a non-refundable review fee of \$1,500 is required, along with a refundable deposit of \$5,000, which is returned upon completion of the home. Additionally, for any exterior work that requires a building permit from the Town of Payson or Star Valley, a refundable deposit of \$1,500 is collected and returned once the project is completed.

Progress continues on RV screening compliance, with several owners contacting the committee to finalize their plans.

The ACC encourages new builds to Firewise entire lots prior to construction to improve long-term safety and aesthetics.

Streets and Common Area Committee

(See Attachment 5B1 – Knolls Tracts Common Area Report) The committee has been addressing erosion issues, with recent work completed on Tracts D, O and T within the last month.

(See Attachment 5B2 – Knolls Tracts Proposed Street Work) The Pavement Preservation Program (PPP) focuses on common area streets maintained by the POA. These streets were inspected and evaluated using a Pavement Condition Index (PCI) to help prioritize maintenance needs. The committee plans to conduct biannual projects in even-numbered years, with a budget of approximately \$12,000 to perform crack sealing and seal coating on the streets with the lowest PCIs. The POA budget allocates \$6,000 annually toward this PPP program.

Resident Discussion: Diane Steele requested board assistance contacting the Town of Star Valley about Monument Trail erosion. President Pelley suggested residents may have more success contacting the town directly and possibly attending a council meeting. Brian Page inquired about paving lower Highline and Union Park Drives. Whitney Fentress explained that the Town of Star Valley does not notify the POA of paving schedules.

Monument Wall Refurbishment

(See Attachment 5B3 – Monument Wall Refurbishment) Blake Fentress presented the Streets and Common Area Committee's proposal to update the two 20-year-old entry monument walls, which measure 191" x 64.5". The original repair budget of \$3,000 was found insufficient for the needed updates and modern materials.

After contacting approximately 15 companies, the committee recommended Summit West Signs (Mesa, AZ) as the most professional and cost-effective option. By completing wall preparation (removing graphics, repairing stucco, and painting) in-house, the total project cost was reduced to \$10,000.

Motion: Marc Van Neuren moved to increase the monument wall refurbishment budget to \$10,000 (an increase of \$7,000). Seconded by Whitney Fentress. Motion carried unanimously.

Lighting was discussed briefly. Brian Page suggested using downward-facing fixtures to comply with Dark Sky standards. The lights are controlled by a photo sensor and currently turn on at dusk and remain on until dawn. The committee will explore adjusting the lighting schedule or adding a timer to the circuit.

4. Fire Safety Committee

(See Attachment 5C1 – Firewise USA Certification) Fire Safety Chair Bill Davis reported that The Knolls has maintained its Firewise USA Community certification for the fourth consecutive year. Bill Davis and Whitney Fentress will submit the annual documentation via the Firewise USA portal, including resident worksheets and the updated Community Action Plan (available on the POA website under “Fire Safety”).

2025 Highlights:

- 18 families reported their firewising efforts.
- 1,122 volunteer hours dedicated to vegetation thinning, cleanup, and defensible space.
- \$103,000 invested in fire safety and property improvements.
- 3,500 cubic yards of vegetation removed – our largest reduction to date.
- Continued collaboration with local fire professionals for community education and home assessments.

President Pelley commended residents for their efforts and highlighted Lauren Keffer as an example of excellent firewise property maintenance.

(See Attachment 5C2 – The Knolls and Firewising Meeting) Examples were presented showing proper vegetation thinning, trimming manzanita, and removing dead material to improve fire safety and firefighter access.

(See Attachment 5C3 – 2025 Bark Beetle Reduction Cost Share (BBRCS) Flyer) Bill Davis reported 20–25 dead trees on approximately 19 lots, likely due to bark beetle activity. These trees must be removed to prevent further infestation and reduce fire risk. President Pelley stated that notifications will be sent to affected property owners.

(See Attachment 5C4 – Neighborhood Plans) Fire Emergency Route Map Presentation: Stewart Osgood reviewed plats from the Gila County Recorder’s Office showing a recorded but currently impassible 24’ secondary and emergency vehicular access and egress to and from The Knolls POA, as well as Pine Ridge. Currently the only drive-able access to and egress from the neighborhood is along Highline Drive. The POA has done some research with Gila County assessor's and recorder's office, and has determined that Lots 40, 41, 15, 16, and 57 were platted with easements to maintain a 24’ wide easement along the east side of The Knolls to provide this secondary access/egress from Highline Drive at Lot 57 to the north and up to the cul-de-sac on Edison Drive (this section is often referred to as Ezell Drive) and then continuing north to the end of the tract at the end of Saddleback and then connecting into Freeguard Lane and eventually coming out on Highway 260 near the Town of Payson offices. While this access exists legally, the road is discontinuous, fenced and gated in sections, washed out, and overgrown with vegetation. Re-establishing it would be expensive and potentially contentious. There were a number of comments about people being refused property insurance as a result of no secondary or tertiary access/egress. There were also some comments about access to Moonlight Drive or to the far end of Granite Dells Road. There is currently no legal vehicular access to either Moonlight or Granite Dells.

5. Treasurer's Report

(See Attachments 6A, 6B, 6C – Treasurer's Report, P&L, and Balance Sheet) Treasurer Stewart Osgood presented financial statements prepared by Rim Country Accounting for the period January 1 – September 30, 2025.

Highlights:

- Total income: \$39,000 (primarily from dues)
- Total expenses: \$10,000
- Net income: \$28,000
- Anticipated year-end net income: \$20,000–\$24,000
- Assets: \$74,000 (mostly cash)
- Liabilities: \$16,500 in refundable construction deposits
- Total equity: \$58,000

Funds are being reserved for the Pavement Preservation Program (\$6,000) and Reserve Funding (\$6,000), both within the current financial capacity. All residents are current on dues.

Stewart reported receiving notice of an unpaid 2015 IRS tax bill totaling \$738, including penalties and interest. A transcript has been requested from the IRS to clarify the nature of the outstanding balance; however, government delays related to the recent shutdown have affected its receipt.

6. New Business

(See Attachment 8 – Knolls Tracts and Forest Access) President Pelley reviewed the map of neighborhood forest access points.

Bill Davis suggested reinstating the Brush Pickup Program to assist residents with vegetation disposal. President Pelley noted that the Board had considered this proposal during the 2025–2026 budget planning meeting but decided not to include funding for it.

7. Adjournment

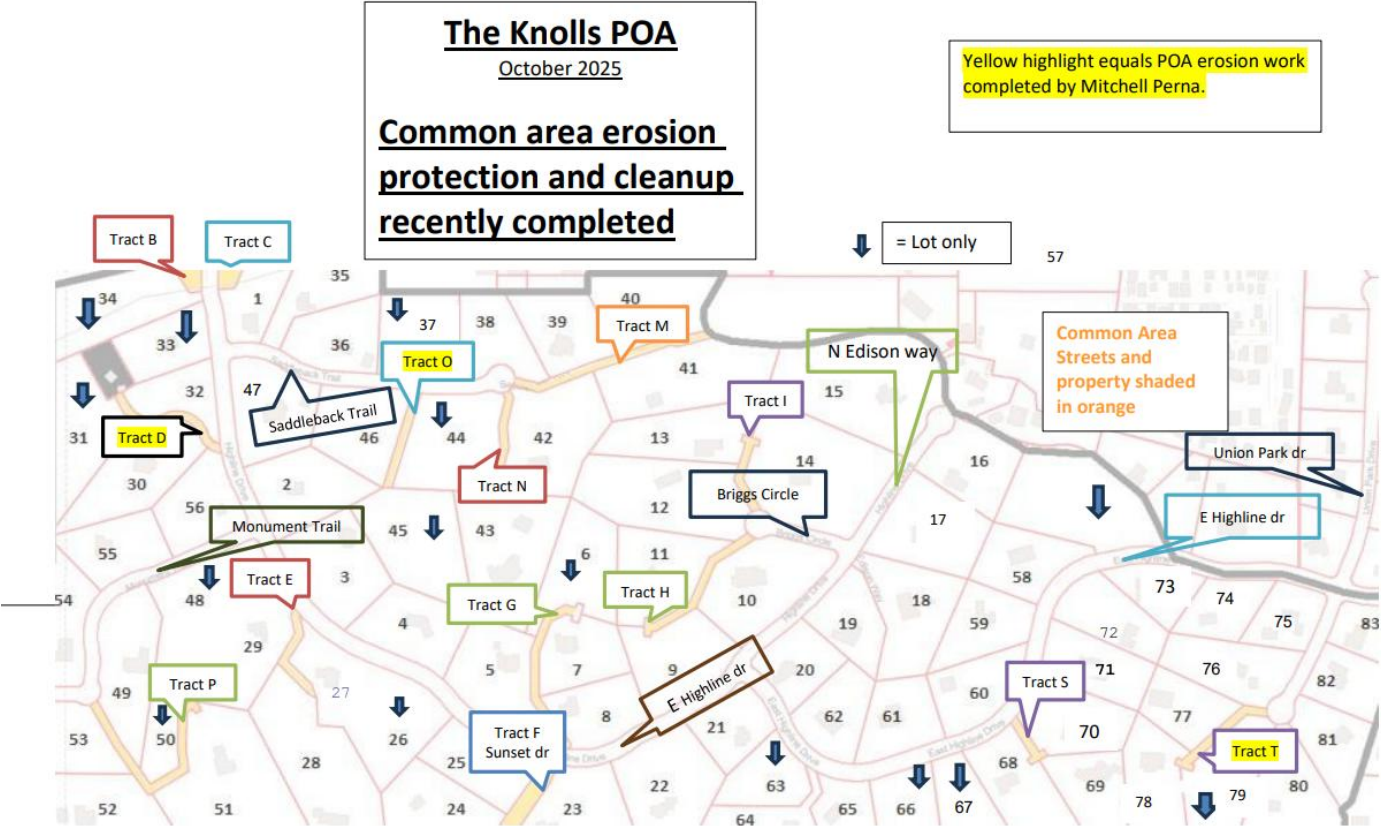
There being no further business, the meeting adjourned at 5:40 PM.

The next Board of Directors meeting is scheduled for Wednesday, January 28, 2026, at 4:00 PM, at the CAAR Board Room.

Respectfully submitted,

Whitney Fentress

Secretary, The Knolls Property Owners Association



Tract O erosion repairs



Tract D erosion repairs

Attachment 5B2 – Knolls Tracts Proposed Street Work

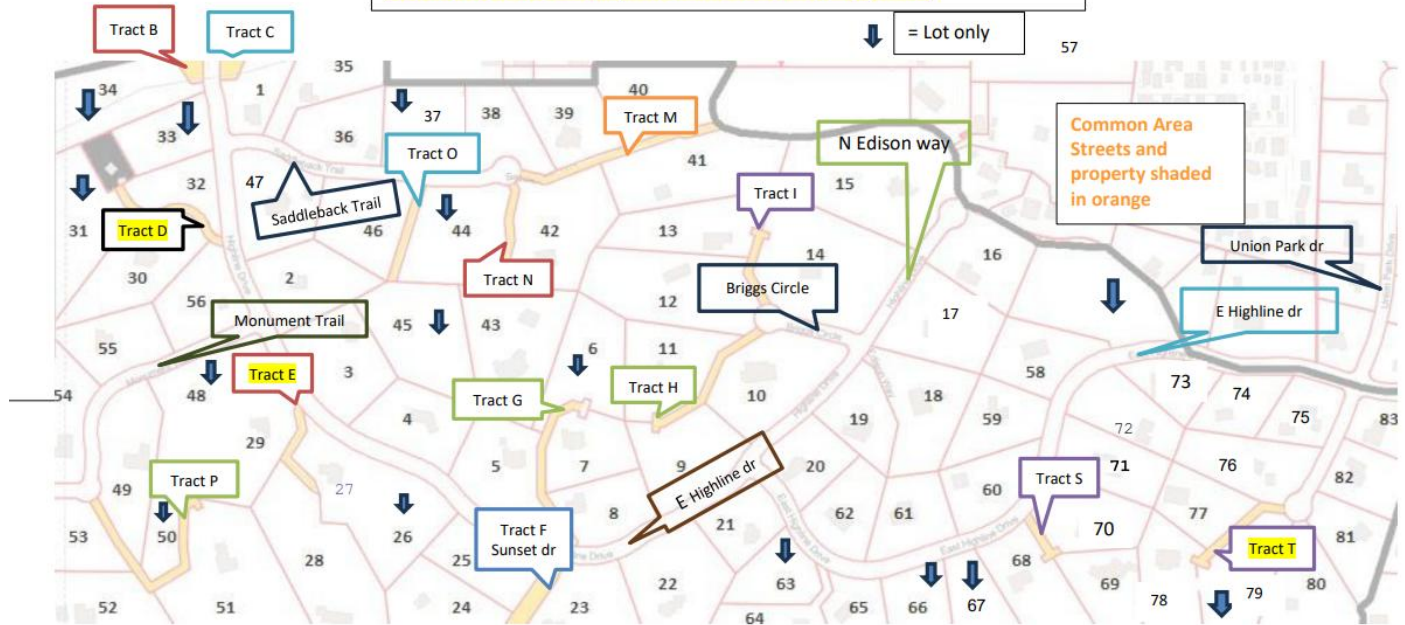
The Knolls POA

Proposed common area street work

Pavement Preservation Program (PPP)

October 2025

Seal coat work to be performed in the spring 2026



Attachment 5B3 – Monument Wall Refurbishment

Current Walls:



Proposed Walls:



The Knolls POA

2025 Firewise USA Summary

Prepared by the Fire Safety Committee



The Knolls Property Owners Association is proud to continue our **Firewise USA Community certification** for the fourth consecutive year. Our Fire Safety Committee, led by **Bill Davis**, has worked closely with the **Hellsgate Fire District** and the **Arizona Department of Forestry and Fire Management** to support wildfire preparedness and education throughout our community.

2025 Highlights:

- **18 families** reported their firewising efforts.
- **1,122 volunteer hours** dedicated to vegetation thinning, cleanup, and defensible space.
- **\$103,000** invested in fire safety and property improvements.
- **3,500 cubic yards** of vegetation removed – our largest reduction to date.
- Continued collaboration with local fire professionals for community education and home assessments.

Looking Ahead:

- Increase Firewise participation to **40% of homes by 2027**.
- Expand resident education and communication through the POA website and social media.
- Pursue **grant funding** and explore reinstating the brush pickup program.
- Host at least one **Firewise Day** or similar community event each year.

Thank you to every resident who took action this year to make The Knolls safer. Your efforts protect not only your own homes but our entire neighborhood. Together, we are building a stronger, more fire-resilient community.

THE KNOLLS AND FIREWISING

Is your **LOT** really **firewised**?



STANDARD FIREWISE BROCHURE

HOW TO PREPARE YOUR HOME FOR WILDFIRES

WILDFIRE RISK REDUCTION STEPS THAT CAN MAKE YOUR HOME SAFER DURING A WILDFIRE



■ VEGETATION MANAGEMENT

1. HOME IGNITION ZONES
To increase your home's chance of surviving a wildfire, choose fire-resistant building materials and limit the amount of flammable vegetation in the three home ignition zones. The zones include the **Immediate Zone** (0 to 5 feet around the house), the **Intermediate Zone** (5 to 30 feet), and the **Extended Zone** (30 to 100 feet).

2. LANDSCAPING AND MAINTENANCE
To reduce ember ignitions and fire spread, trim branches that overhang the home, porch, and deck and prune branches of large trees up to 6 to 10 feet depending on their height) from the ground. Remove plants containing resins, oils, and waxes. Use crushed stone or gravel instead of flammable mulches in the **Immediate Zone** (0 to 5 feet around the house). Keep your landscape in good condition.

■ FIRE RESISTIVE CONSTRUCTION

3. ROOFING AND VENTS
Class A fire-rated roofing products, such as composite shingles, metal, concrete, and clay tiles, offer the best protection. Inspect shingles or roof tiles and replace or repair those that are loose or missing to prevent ember penetration. Box in eaves, but provide ventilation to prevent condensation and mildew. Roof and attic vents should be screened to prevent ember entry.

4. DECKS AND PORCHES
Never store flammable materials underneath decks or porches. Remove dead vegetation and debris from under decks and porches and between deck board joints.

5. SIDING AND WINDOWS
Embers can collect in small nooks and crannies and ignite combustible materials; radiant heat from flames can crack windows. Use fire-resistant siding such as brick, fiber-cement, plaster, or stucco, and use dual-pane tempered glass windows.



■ BE PREPARED

6. EMERGENCY RESPONDER ACCESS
Ensure your home and neighborhood have legible and clearly marked street names and numbers. Driveways should be at least 12 feet wide with a vertical clearance of 15 feet for emergency vehicle access.

- Develop, discuss, and practice an emergency action plan with everyone in your home. Include details for handling pets, large animals, and livestock.
- Know two ways out of your neighborhood and have a predetermined meeting place.
- Always evacuate if you feel it's unsafe to stay—don't wait to receive an emergency notification if you feel threatened from the fire.
- Conduct an annual insurance policy checkup to adjust for local building costs, codes, and new renovations.
- Create or update a home inventory to help settle claims faster.

TALK TO YOUR LOCAL FORESTRY AGENCY OR FIRE DEPARTMENT TO LEARN MORE ABOUT THE SPECIFIC WILDFIRE RISK WHERE YOU LIVE.

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VISIT FIREWISE.ORG FOR MORE DETAILS

Order a Reducing Wildfire Risks in the Home Ignition Zone checklist/poster at Firewise.org

Firewising your home and safe spaces around it is very important. This information can be found on our website under “Fire Safety”.

This presentation is more about **Firewising** your **LOT**.

GROUND COVER (PINE NEEDLES) REMOVAL



For raking needles, we highly recommend raking at least the 0'-5' every year. As for the entire lot, it would be an absolute bonus to get it done yearly however that can take a ton of time and manpower based on the lot sizes. This would help break up the horizontal continuity of ground fuels that could potentially move fire into thicker brush or ladder fuels.

Kyle Klein
Fire Prevention Lead - Central Zone
Arizona Department of Forestry
and Fire Management

OVERGROWN MANZANITA



For manzanita, in my fire experience they are highly flammable under the right conditions. cleaning these up and limbing them up helps prevent the entire plant from going up in flames if enough heat gets established within or in close proximity to the plant. However, I have heard these plants can be pretty temperamental when pruning. you CAN take too much out leading to a possibility of the plant dying due to sun exposure etc. This is where I would recommend going one limb at a time and removing the very low hanging or dead material.

Kyle Klein
Fire Prevention Lead - Central Zone
Arizona Department of Forestry
and Fire Management

MANZANITA PRUNING DONE RIGHT



Great example
of pruned
manzanita.

Helps with
rodent nesting
also.

GREAT EXAMPLES OF KNOLLS FIREWISING



- ☐ Trees trimmed up.
- ☐ Manzanita trimmed and sized.
- ☐ Ground fuel raked and removed.
- ☐ Dead branches removed.
- ☐ Stumps excavated and removed.

GREAT EXAMPLES OF KNOLLS FIREWISING



- ☐ Manzanita kept thin and small.
- ☐ No place for rodents to breed.

GREAT EXAMPLES OF KNOLLS FIREWISING



- ☐ Great access for fire fighters.
- ☐ No fuel on the ground to ignite and blow into other lots.

GREAT EXAMPLES OF KNOLLS FIREWISING



The ACC is encouraging all new home builds to firewise their entire lot **before** new home construction starts.

KNOLLS FIREWISING



For now, more to come.

Bark Beetle Reduction Cost Share Program



Arizona Department of Forestry
and Fire Management

What's Bugging AZ Trees?

Bark beetles are very small insects that feed on phloem, or the "sugary" tissue that lies between the bark and the wood of a tree. As they feed, they create tunnels that, when severe enough, may cause the tree to die. Bark beetles typically prefer to attack weakened, stressed trees. When bark beetles find forested areas that contain weak, stressed trees, they produce an aggregate pheromone that attracts more beetles to the area.



Figure 1: Two bark beetles on a penny

How Do I Know if My Trees Are Infested?

Bark beetle infestations are most often seen in evergreen trees. The most common signs and symptoms of an active bark beetle infestation are the yellowing of needles, especially those at the top of the tree (Fig. 2), and the presence of pin-sized holes in the bark (Fig. 3). You may also see accumulations of frass (sawdust like material) at the base of the tree (Fig. 4), or tree sap leaking from small holes in the tree (Fig. 5).



Figure 2: Top-down view of crown



Figure 3: Exit holes in bark



Figure 4: Accumulated frass in cracks of bark



Figure 5: Sap production

What Can You Do?

Schedule a Site Assessment, Remove Infested Trees

When beetle populations get large enough, they will start attacking healthy trees. Removing bark beetle infested trees has proven to reduce bark beetle spread in otherwise healthy forests. To assist in maintaining healthy forests and reduce bark beetle infestations, the Bark Beetle Reduction Cost Share Program gives landowners financial assistance to remove infested trees.

The Bark Beetle Reduction Cost Share Program helps landowners respond to bark beetle infestations by paying 50% of the cost of tree removal. This program aims to help private landowners reduce the spread of bark beetles to their own trees, and to the surrounding natural areas.



Figure 5: Rust colored needles and tree mortality caused by Bark beetles shown at the landscape scale

How Do I Sign Up?

STEP 1: If you suspect bark beetle infestation on your property or are unsure, simply call or email us to let us know you're interested in the Cost Share Program.

Call [602]-771-1407

Email foresthealth@dffm.az.gov

Tell us your name, contact info, and location.

STEP 2: A DFFM forestry professional will perform an onsite assessment of your property and identify all actively infested trees with flagging and a paint mark.

STEP 3: After the assessment, you will obtain quotes from contractors to remove the marked and flagged trees, including the removal of all debris. You will send your quotes to DFFM. Based on the quotes, you pick which company you'd like to work with and pay half the total amount directly to the contractor.

STEP 4: Once the tree removal is conducted, you will be contacted by the DFFM to confirm the work was completed on your property, and all debris was removed as well. The Arizona Department of Forestry and Fire Management will then pay the remaining 50% of the total cost directly to the contractor.

Have Questions?

Contact our Forest Health Program at:
foresthealth@dffm.az.gov
602-771-1407

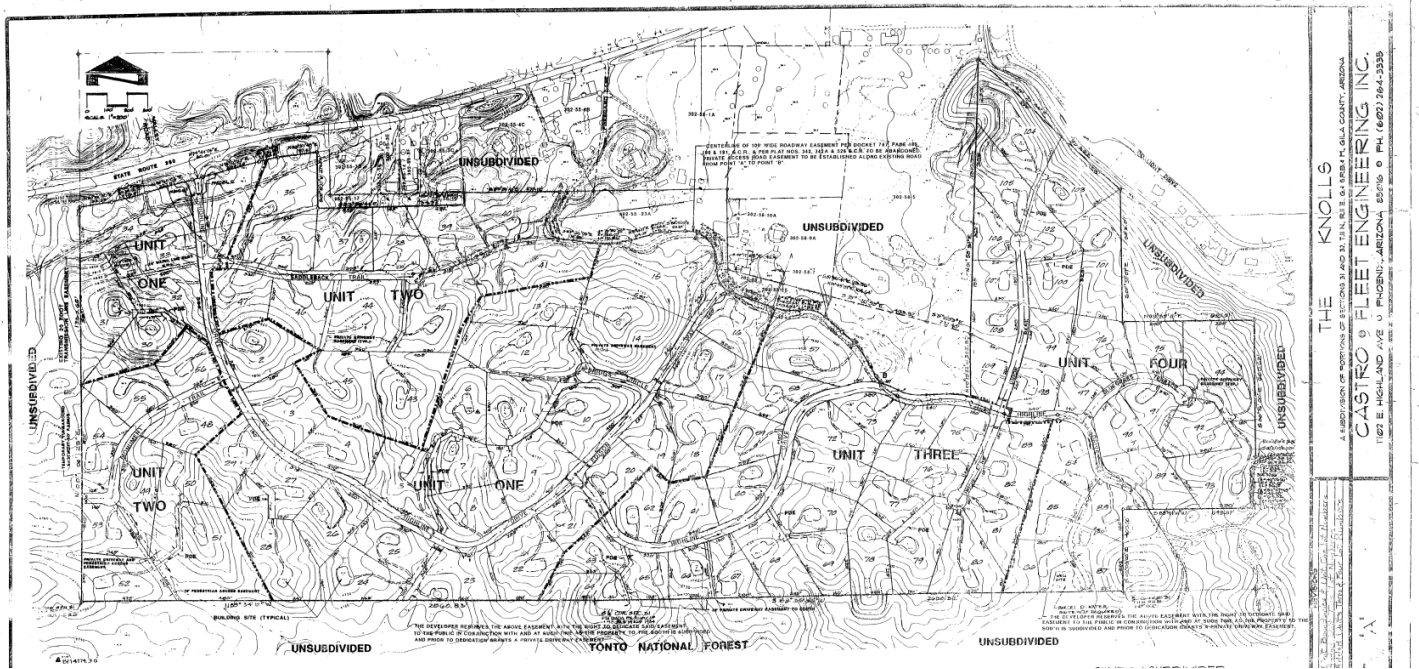
This program supports the mission of the Arizona Department of Forestry and Fire Management by:

- » Protecting Healthy Forests
- » Supporting Communities
- » Reducing Wildfire Risk

➔ [Click here to sign up for the Homeowner Waitlist Form for the Bark Beetle Reduction Cost Share Program.](#)

Funding for the Bark Beetle Reduction Cost Share Program is provided by the AZ Dept. of Forestry and Fire Management and USDA Forest Service. These institutions are equal opportunity providers.

Attachment 5C4 – Neighborhood Plans



Treasurer's Report for The Knolls POA through Quarter 3 (January 1 to September 30) of the 2025 Fiscal Year

The income statement (often referred to as the P&L) and the balance sheet is attached as prepared by Rim Country Accounting, with a review by me. Same for the balance sheet. For those not accustomed to reading financials, note that the income statement shows money in and money out over a period of time. In contrast, the balance sheet rolls up assets and deducts liabilities for a net worth calculation at a point in time.

A few highlights (numbers rounded to the nearest \$1000):

- Total income over the period was \$39K.
- Total expenses were \$10K, for a net income of \$28K.
- Largest (only) source of income is dues.
- Three largest sources of expenses are:
 - Professional fees; mostly legal
 - Repairs and maintenance for the common area streets.
 - Insurance expenses.
- At this point I anticipate no additional income (or very little) and only expenses for the last quarter. Net income is likely to be \$20K to \$24K at FY end.
- Note that our budget anticipated setting aside \$6K for reserve funding and \$6K for a bi-annual Pavement Preservation Project (PPP) which is within our financial capabilities at this point. Note that if we were to fully fund these two “obligations” prior to year end, we would likely have a net income of \$8K to \$12K for FY 2025.
- The balance sheet shows assets totaling \$74K. Almost all of this is cash or cash equivalents.
- Liabilities include \$16.5K in construction deposits that are anticipated to be refunded.
- Total equity in the POA is \$58K.

Here is a summary of bank account balances in the national Bank of Arizona as of today (10/25/25). Note that there is a bit of timing issue here because the 3rd quarter closed as of 9/30 and there are an additional 3.5 weeks of activity to be considered. However, our accounts are not particularly active so the difference is immaterial for our purposes.

Dashboard

Net worth summary ⓘ

Your assets and liabilities

\$71,050.90



Checking

Condense ☐ ^



Community Checking
*****0172

\$9,466.47

Available balance

Current balance: \$9,466.47 Prior day balance: \$9,466.47

Savings



Business Savings
*****9282

\$11,513.65

Available balance

Current balance: \$11,513.65 Prior day balance: \$11,513.65

CD



Business CD
*****4799

\$25,000.00

Current balance



Business CD
*****0765

\$25,070.78

Current balance

Accomplishments since July 1, 2025

- Financial control of the accounts was successfully passed to the new Treasurer early in July.
- Obtained access to Post Office box.
- Met with Rim Country Accounting and reestablished a working relationship that can be expanded in the future to pass more work to the accounting firm and less to the Treasurer.
- Met with NBAZ and renewed our relationship and established protocols for income and expenses.
 - Eliminated mailed copies of bank statements (all eDocs now).
 - Moved money to CDs to get 4% interest off "savings". We have two \$25K accounts that mature 45 days apart to maintain liquidity.
 - Adopted the use of Zelle to pay and be paid. More efficient and less costly.
- Conducted a gap review of your CC&Rs and insurance policies and plugged holes and gaps in coverage. I believe we now have insurance policies that meet the minimums that are stipulated in the CC&Rs.
- Registered and updated our organization with the AZ Corporation Commission.
- We took a more rigorous stance on collections and late fees of our POA dues. I am happy to report that all 83 lots are current in their dues payments, and a couple of hundred dollars in late fees to compensate for additional work was collected.
- Filed back taxes for 2024 with local, state, and federal jurisdictions. We are primed for a 2026 Q1 filing of FY2025 returns.
- Discussed and adopted a 2025-2026 Business Year budget that we are following.
- Have worked with the Secretary at establishing protocols and written guidance on matters related to property transfers, late fees, interest payments, maintaining the master list of property owners, check signing authority, etc.

Overall, I feel that we have a well-run little POA that is reasonably current in its practices, properly capitalized and improving all the time, has a financial plan to build reserves, and is operating on a base premise of transparency and honesty.

In service,

Stewart Osgood
Treasurer
The Knolls POA

3:12 PM

10/16/25

Accrual Basis

The Knolls Property Association INC
Profit & Loss
January through September 2025

	<u>Jan - Sep 25</u>
Ordinary Income/Expense	
Income	
Dues	35,860.00
Late Fees	118.80
Plan Review	3,000.00
	<u>38,978.80</u>
Total Income	38,978.80
Expense	
Accounting Fees	960.00
Advertising	423.72
Bank Service Fees	18.00
Insurance Expense	1,698.55
Meeting Costs	431.50
Office and Postage Expense	692.43
Professional Fees	3,986.00
Repairs and Maintenance	1,732.31
Taxes	148.28
Utilities	405.01
	<u>10,495.80</u>
Total Expense	10,495.80
Net Ordinary Income	28,483.00
Other Income/Expense	
Other Income	
Interest Income	4.83
	<u>4.83</u>
Total Other Income	4.83
Net Other Income	4.83
Net Income	<u><u>28,487.83</u></u>

3:11 PM

10/16/25

Accrual Basis

The Knolls Property Association INC
Balance Sheet
 As of September 30, 2025

	<u>Sep 30, 25</u>
ASSETS	
Current Assets	
Checking/Savings	
National Bank Checking 0172	12,582.52
National Bank Savings 9282	11,513.65
Total Checking/Savings	<u>24,096.17</u>
Other Current Assets	
CD 0765	25,000.00
CD 4799	25,000.00
Total Other Current Assets	<u>50,000.00</u>
Total Current Assets	<u>74,096.17</u>
TOTAL ASSETS	<u>74,096.17</u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
Refundable Building Deposits	16,500.00
Total Other Current Liabilities	<u>16,500.00</u>
Total Current Liabilities	<u>16,500.00</u>
Total Liabilities	<u>16,500.00</u>
Equity	
Opening Balance Equity	29,108.34
Net Income	28,487.83
Total Equity	<u>57,596.17</u>
TOTAL LIABILITIES & EQUITY	<u>74,096.17</u>

Attachment 8 – Knolls Tracts and Forest Access

