

Mogollon Estates Homeowners Association Board Meeting

(Monday, September 14th, from 10:00 - 1:00)

Location: Heber-Overgaard Fire Station

- Agenda -

(Tentative. Subject to last minute changes and/or additions)

Call to Order / Roll Call / Quorum Confirmation _____ Mark Strong

Review August 2nd & July 7th Minutes _____ Daniel Spear

Reports:

Treasurer/Financial _____ Anna Gustafson

- Account Balances: Review of our current checking and CD standings

Architectural Committee _____ Jim Hansen

Violations & Dead Trees _____ Mark Strong

- Common Area Dead Trees
- We will need to vote on moving forward with Dead Tree Violations for the homes that have not cut down their trees or responded to our courtesy email following a two-week notice.
- The affected properties are Lots 266, 269, 291, 297, 299, 300, 308, 333 and 335. Please see (Action Item #8).

Lot Sales / Updates _____ Daniel Spear

- Lot 279 has sold; Estimated closing September 4, 2026

Document & Database Updates _____ Daniel Spear

1) Master Directory, **2)** Owners Directory, **3)** Dues Database Verification Form, **4)** Master Mailing Labels, **5)** Board Event Calendar, **6)** Operating Document Index, **7)** Board & Committee Members Schedule.

Construction Guidelines: (Review) _____ Mark Strong

Open Meetings Documents (Updates)

All other Impacted Operating Documents (Updates)

** Arizona HOA boards must immediately review and update their governance actions to comply with new 2026 state laws and court rulings regarding open meetings, shade structures, flags, and disclosure packets.*

Old Business _____ Mark Strong

- Mogollon Estates sign inspection and repair estimate.

New Business _____ _Mark Strong

Senate State Bill 1184 – HOAs; Uniformed Serviced Division Flags

Senate Bill 1808 – Allied Countries' Flags

Senate State Bill 1290 – Closed Meeting Sessions

House Bill 2342 – Backyard Shade Structure

- Provides that, regardless of the governing documents, associations may not prohibit the backyard installation or use of a shade structure.
- **Shade Structure requirements**: “A commercially produced or professionally manufactured movable or permanent structure that is design to protect an area from sunlight, including an awning, shade sail, soft or hard top gazebo, pergola, canopy or umbrella.
- **Construction Guidelines** (Discuss current guidelines)

House Bill 2397 – Property Covenants; Disclosures.

1. Update resale disclosure packet procedures, timelines, and statutory fee caps
 - **Governance Documents**: Current bylaws, rules, recorded declarations, and final plats.
 - **Meeting Records**: Board-approved minutes from the **three most recent open meetings**.
 - Changes are required to the **Contractual Acknowledge Statement** language on our form.
 - **Financial Reports**: The most recent annual financial report, [an income/expense statement](#), and the most recent [reserve study](#). If the reserve study is more than **10 pages**, allow a summary to be provided in the disclosure package instead of the full report.
 - **Assessments & Liens**: Total [annual common expense assessments](#), upcoming special assessments, and any unpaid liens.

- **Legal & Compliance:** A statement summarizing pending lawsuits and notices of any outstanding property violations.
 - **Resale Disclosure Packets (Changes)**
2. **Reserve Study** (required): is a critical long-term financial planning tool that evaluates the physical condition of your HOA's shared property and calculates how much money must be set aside annually to fund future repairs and replacements. If you are looking to review, analyze, or request your association's most recent reserve study, understanding its core components is essential for protecting your property value.
- **The Physical Analysis:** An on-site inspection that catalogues all common elements (roofs, roads, pools, elevators), estimates their remaining useful life, and projects future replacement costs.
 - **The Financial Analysis:** An evaluation of the HOA's current reserve fund balance against the projected expenses, establishing a funding plan to maintain financial health.
 - **The Percent Funded Metric:** A snapshot score showing how much cash is in the reserve versus how much *should* be there based on depreciation.
3. **50 or More Units:** The association must deliver the packet within **10 days** of receiving written notice of a pending sale.
4. Requires the purchaser to sign a Contractual Acknowledgement statement (to be included in the disclosure package) at the close of escrow (instead of "within 14 calendar days").
5. Any changes to the Associations Liability is required in the disclosure.

House Bill 4011 – HOAs; Duties

Senate Bill 1473 – Assisted Living Homes in residential neighborhoods.

Case: AZNH Revocable Trust v. Sunland Springs Village Homeowners Association.

This case significantly changes how boards must conduct meetings.

- Open Meeting Requirements -

Agenda Action Items:

- Boards must now list all action items requiring a vote on the open meeting agenda. This includes routine decisions like common area maintenance, tree removal, contract, violations, and construction request approvals.
- Voting via email is no longer permitted, and the board cannot vote in an open meeting on any matter not explicitly listed on the agenda.

Open Meeting Execution: Boards can no longer vote, approve projects, or finalize decisions via email, text thread, or behind closed doors in executive sessions.

Approving maintenance—such as hiring a vendor, choosing a contractor, or greenlighting common-area repairs—must take place out in the open.

48-Hour Notice: The maintenance item must be listed on an agenda made available to homeowners **at least 48 hours before the meeting.**

Homeowner Input: Because maintenance is an action item, Arizona law dictates that **homeowners have the right to speak and comment** on the project or proposal after the board discusses it, but *before* the board takes its formal vote.

Action Items: (Votes to be taken in an Open Session)

1. Approval of July 7th and August 1st Meeting Minutes.

- **Action Required:** Board discussion and formal board vote for approval or denial.

2. Review & Approve 2026/2027 Operating Budget

- **Description:** Required to occur at our first meeting.
- **Action Required:** Board discussion, homeowner/member comment period, and formal board vote for approval or denial.

3. Review & Approve 2026/2027 Board Meeting Schedule

- **Description:** Required to occur at our first meeting.
- **Action Required:** Board discussion, homeowner/member comment period, and formal board vote for approval or denial.

4. Review & Approve submitted Construction Requests (Example)

- **Description:** Lot xxx: Review and voting on the architectural request submitted by the homeowner at 1422 E. Cactus Wren Way to construct a 10' x 12' detached backyard pergola.
- **Action Required:** Board discussion, homeowner/member comment period, and formal board vote for approval or denial.

5. 2027 Annual Budget & Assessment Increase (Under the 20% Statutory Cap).

- **Description:** Review and vote to adopt the proposed 2027 fiscal year operating budget. *Motion to increase the regular monthly assessment by 8% (\$10.40 per month), changing the assessment from \$130.00 to \$140.40 effective January 1, 2027, to cover rising community insurance premiums and increased common area maintenance costs.*
- **Action Required:** Board discussion, homeowner/member comment period, and formal board vote for approval or denial.

6. Proposed changes to the Operating Document Index screen.

- **Description:** We have received two screen proposals for how the CC&Rs and Amendments should be displayed and searched on the website. This update involves combining the CC&Rs and Amendments into a single specialized document view for easier searching and navigation.
- **Action Required:** Board discussion. Approval of 1 of the 2 proposed screens is required.

7. Additional Board & open meetings.

- **Description:** Additional Board meetings, open meetings are required to ensure we remain responsive to our owners.
- **Action Required:** Board discussion and formal board vote for approval or denial.

8. Dead Tree Violations:

- **Description:** Vote on dead tree violations for lots (Lots 266, 269, 291, 297, 299, 300, 308, 333 and 335).
- **Discuss Action:** Board discussion, homeowner/member comment period, and formal board vote for approval or denial. (5+) Directors must approve.

Lot #	Board Director(s)	Aye/Nay/Abstain	Result
266			
269			
291			
297			
299			
300			
308			
333			

Non-Action Items:

1. Virtual Meeting Platform:

- **Description:** Discussion on whether virtual meetings are required to vote on pending subjects to ensure we remain responsive to owner needs.
- **Action Required:** An estimated subscription cost of [\$xxx.xx] is needed, subject to Board recommendation.

Next Meeting _ _ _ _ _ Mark Strong

Monday November 9th (10:00 – 1:00); Heber-Overgaard Fire Station.

Adjournment _ _ _ _ _ Mark Strong