

Abbe Springs Ranches HOA Board of Directors

Minutes of Special Meeting held October 5, 2006

The teleconference meeting of the Abbe Springs Ranches Board of Directors (BOD) was called to order at 7:10 pm by President Marshall Adams. Also present were Vice-President William Green and Treasurer/Secretary Kat Brown.

Treasurer's Report: Today the treasurer emailed three financial reports to the board – balance sheet @ 9/30/06, income & expense report through 9/30/06 and a list of outstanding accounts receivables.

The board reviewed the documents and accepted the treasurer's financial reports as presented. During this review, the board agreed that liens will be recorded against four property owners for failure to pay dues. The board also authorized the treasurer to invest \$20,000 of the balance (33K @ 9/30/06) into CDs with varying maturity dates.

C&R Committee Report: The vice president, who serves as the liaison with the C&R Committee, reported on the recent telephone conference held by the group. He said the committee is having difficulty getting enough participation, and members suggested increasing the committee to nine members with as few as three serving as a quorum. He also said the committee members suggested that they hold two meetings per year, with the first one scheduled after the annual meeting.

The president said he emailed copies of the C&Rs, with recommended changes from the HOA's new counsel, to all committee members so they can review and propose changes to the BOD.

Old Business

By-Laws Revisions: The treasurer reiterated that she approves of the proposed revisions, but disagrees with the approved plan to implement all changes that do not require a vote of the owners without input from them. Per the present By-Laws, the proposed changes to certain sections in Article III will require a vote of the Members.

The president said the changes primarily cut out fluff and none of them are radical, and he stressed that the revisions will give members more power because one of the revisions requires that they vote on all future bylaws changes.

The vice president questioned some of the changes and said he does not agree with them all but that it has to be done.

After further discussion, the board agreed to implement additional changes recommended by the HOA attorney. The board also agreed that the president will write a draft letter explaining all the changes to accompany the mailing.

Articles of Incorporation Revisions: The board discussed preparing and filing these revisions on its own, but agreed to seek an estimate from the attorney before deciding this at its next meeting.

Road Naming: In order to comply with the county's requirement to have named roads, the board agreed to a two-letter process to owners to resolve the issue. The first letter to all owners will solicit input for new names as well as reviewing roads that already have names. The second will go out to owners only in sections where votes need to be taken. The board agreed the president will submit draft letters for board review before mailing them to owners.

Road Maintenance: The president reviewed the status of the roadwork. Given this year's extra expense on repairs during the extreme monsoon season, he recommended designating \$5,000 each year for capital improvements to the roads. The vice president said he wants the board to be more hands-on regarding erosion and water diversion at ASR. After further discussion, the board agreed to earmark \$5,000 for capital improvements.

BOD Meeting Minutes: The treasurer announced that minutes from prior board meetings were mailed early that week to the other board members for signing and then they will be posted on the website.

Lot 12 Update: The president spoke with the owners who said they are planning to work on the home this fall.

Lot 57 Update: The board reviewed the power issue and agreed that it met the hardship clause, but will seek electric company paperwork from the owner for backup documentation.

Banking: Nothing new besides the treasurer's reports.

CPA Search: The vice president said he has not found anyone local to perform the CPA review approved by members. The board agreed that the CPA need not be local, but that it is preferable. The board also agreed that the vice president will contact the HOA attorney for recommendations, and if that is unsuccessful the treasurer has a list of Albuquerque-based CPAs that could be interviewed. The treasurer also said she will forward a prior email that included information on a CPA she interviewed before the new board took office.

The president said that according to the HOA attorney the organization must be audited every five years in order to comply with New Mexico law.

Accounts Receivable/Liens: The treasurer said she will mail the four liens as soon as she obtains additional filing information from the Socorro County Court and Assessors' offices.

New Business

Annual Meeting: The next meeting will be held on March 3, 2007 at the Magdalena Church; the church will be reserved for an additional hour to accommodate a meeting of the C&R committee. The elections will be scheduled prior to the meeting so that new officers take over following the meeting. Per the revised By-Laws, the directors (3) terms will be for three (3) years and staggered in order to preserve the continuity of the BOD. To start the process Marshall Adams has volunteered to rerun for office in 2007. William Green has volunteered to rerun for office in 2008. Kat Brown will rerun for office in 2009.

Road 123 Maintenance: The president spoke with county representatives who told him that 123 is scheduled to be bladed once per year, with an annual budget of \$1,800.


Members List/Property Resales: Given the multiple lot sales ongoing at Abbe Springs, the president expressed concerns about how to ensure that we are able to update our records for mailings. He said he will contact local realtors to discuss this. The board also discussed preparing a welcome letter to send to new owners.

Expenses: The board reviewed and approved payments for road blading and telephone expenses. Members also stressed that all volunteers on the board and C&R Committee should be reimbursed for their expenses on behalf of the HOA. The board is considering a different conference calling method that calls for the HOA to pay the expense directly instead of volunteers having to request reimbursements.

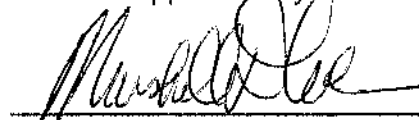
The meeting was adjourned at 9:10 pm MST.


DATED: November 30, 2006

Minutes presented by:


Kat Brown, Treasurer & Secretary

Minutes approved by:

 12/9/06
Marshall Adams, President

 12/18/06
William Green, Vice-President
(rec- 12/16/06)