

Abbe Springs Ranches HOA

2010 Annual Meeting Membership Minutes

March 6, 2010

The annual membership meeting of the Abbe Springs Ranches Homeowners' Association (HOA) was held at the High Country Lodge, Highway 60, Magdalena, New Mexico, on Saturday, March 6, 2010, at 11:30 am.

The meeting was called to order by President Marshall Adams at 11:31 am. Also present were Vice President Gwen McNatt, Secretary Nancy Crowley, and Treasurer Kat Brown.

All members present introduced themselves which, including the officers. 26 lots were represented. This number constituted a quorum.

There were some initial issues with the computer display of the meeting documents that were sent to each owner, but that was resolved quickly.

Secretary's Report

Prior to the meeting the membership had received the minutes from the annual membership meeting held on March 7, 2009. A reading of the minutes was waived and the membership unanimously accepted them into the official records.

Vice President's Report

Copies of the Certified Public Accountant's financial oversight report. No issues were reported by the firm that conducted the review. The Board has the review conducted every three years. This review is not a full financial audit.

Treasurer's reports

1. 2009 Income and Expense Report and Balance Sheet
The HOA operates on an accrual system where the activity is recorded as it is supposed to happen. The biggest change in the 2009 balance sheet is in the road section. The road expenses were lower the last two years than they have been the 2 years prior. The balance sheet comparison shows our status as of the end of the fiscal year. Motion to approve the financial reports. Seconded. Unanimously approved by the membership.
2. Six-Year Comparison and 2009 Actual To Budget
 - a. Proposed budget. The budget has a projected income in 2010 of just over \$22K. Budgeted expenses are \$20,400.
 - b. The budget for the roads is conservative. Consulting and professional fees are used for fees associated with owners that are in arrears, retainers and C&R violations. The Misc line includes court filing fees that are not included in the consulting and professional fees. The President has been donating his time to check the roads. The cost of his time shows as an expense on the balance sheet and then as a donation, so there is no cost to the HOA.

- c. The 2010 budget was unanimously approved by the membership.
- 3. Receivables
 - a. As of the day before the annual meeting, 35 owners are past due with 6 owners past due over 3 years.
 - b. For those members that are past due for over 3 years, a summary judgment is filed in Socorro County and their county of residence, The summary judgment protects the HOA better than a lien and is also valid for a much longer period of time.
- 4. Outstanding Dues

There is a significant increase in the number of people that are three or more years in arrears.
- 5. Announcement and Approval of the 2010 Dues Assessment

The recommendation of the board was to keep the dues at \$150 because the road expenses have been lower than usual. A motion was made to approve the recommendation that the dues remain at \$150 per year. The motion was seconded and unanimously approved.

Old Business

- 1. To Do List. The President went over the list of items that the board members have been working on in the previous year.
 - a. Explore and determine the costs of outsourcing the bookkeeping. The HOA has been lucky to have a Treasurer able and willing to do all of the bookkeeping, but that may not continue. The Treasurer is collecting data on the amount of time required to do the bookkeeping tasks so a cost can be determined.
 - b. Reestablish contacts with new officials. The President has contacted the Socorro County road supervisor and the County Manager. The president will continue creating relationships with County officials.
 - c. Long term solution for condition of Forest Road 123. There has been no progress on a plan to improve 123.
 - d. USDA Abbe Springs Grazing Permit. The 10-year grazing permit was coming up for renewal and a request for comments was sent out. The board members were very active in an attempt to modify or possibly revoke the grazing permit. The reasoning behind revoking the permit was because of the checker board nature of the area and the number of vehicles on 123. Unfortunately, the new permit was issued and the issue of the checker board of private and public lands was ignored. The response was that the private owners need to fence the cattle out. The new permit does require that the ranchers place a fence on the west side of 123. The entrances to 5 and 17 will require a gate if a fence is erected. The USDA asked us to provide funds to install a cattle guard rather than a gate. The cost is approximately \$2500 per cattle crossing.
 - e. Phone service. There has been no progress on phone service and there is no cell phone tower at the Alamo reservation.
 - f. Plains of Agustin wells. The articles have been posted on the web site. It appears that the lawsuit against the drilling of the wells will be going forward. An updated list of Abbe Springs wells was sent to the lawyer November 2009.
 - g. Formalize board policies for voting on HOA matters. The board has adopted the policy that all property owners will have the opportunity to vote on HOA matters, even though it is not required by the governing documents.

- h. Web site update. The governing documents of the HOA have been placed on the web site in the member's only area. An idea was brought up to send an email to members periodically with information on what is new on the site.
- 2. Legal matters update.
 - a. The Treasurer reported an increase in fees resulting from legal actions primarily related to nonpayment of dues. In April 2009 the HOA prevailed in a Magistrate Court case against one Member who did not pay dues for six years. The judgment of \$3,204 remains outstanding.
 - b. As a result of this continuing action, as well as an increase in the number of lot owners in arrears, the board adopted legal counsel's advice to file for summary judgments not only in Socorro County but in any county in which the owner has real property. This method will help protect the HOA's interests by providing liens on all New Mexico property owned by Members in arrears.
- 3. C&R matters update
 - a. A ballot was sent to the membership with a proposed change to the C&R documents. The vote failed due to a lack of votes. 97 votes were required to make the change.
 - b. There was a discussion of raising the dues and then giving a rebate to those members that vote. Because the HOA governing documents do not allow such a change, the idea could not be adopted.
 - c. A question was brought up about the confidentiality of the votes. The board reiterated the policy on ballots. Ballots that are mailed are not opened before the meeting. At the meeting, the votes are opened by volunteer proctors that are not members of the board.
 - d. The board has been advised by the lawyer that the board is required to address any violations. This has been a hard situation for the board to work through.

New Business

None

General Announcements

None

Election Results

The volunteer proctors were Susan McCochran and Jerome McCochran.

The volunteer proctors announced that Marshall Adams and Michelle Vallentine were voted on the board. The numbers were:


Marshall Adams: 37 votes
David Hallikainen: 21 votes
Michelle Vallentine: 27 votes

Adjournment

A motion was made and seconded to adjourn the meeting. The motion carried and the meeting was adjourned at 1:08 pm.


DATED: March 30, 2010

Minutes presented by:



Nancy Crowley, Secretary

Minutes approved by:



Marshall Adams, President

Approved by Gwen McNatt, Vice President and Kat Brown, Treasurer via e-mail