

Abbe Springs Ranches HOA

Annual Meeting Membership Minutes

March 2, 2013

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 2, 2013.

The meeting was called to order by President Marshall Adams at 11:00 AM MST. Also present were the four other board members: Vice President Nancy Crowley, Treasurer Kat Brown, Director Michelle Vallentine, and Secretary Vikki Kyffin.

All members in attendance introduced themselves, including the officers and 21 members representing 29 lots. This number constituted a quorum per the By-Laws. All members present were reminded that they need to have paid their 2013 assessment fee in order to be in good standing and participate fully in the meeting.

Secretary's Report

Prior to the meeting the members had access to the minutes from the annual meeting held on March 3, 2012. A reading of the minutes was waived, and the membership unanimously accepted them into the official records.

2012 CPA Financial Review

The vice president presented the 3-year financial review that was conducted and completed by an independent public accountant firm in Albuquerque (Findell & Co., PC). The review was favorable.

Treasurer's Report

All members were reminded that the HOA financial reports are presented on an accrual versus cash basis of accounting.

1. 2012 Balance Sheet 9-Year Comparison
 - a. The balance sheet was reviewed.
 - b. Following a motion and a second to approve the balance sheet, it was approved by a show of hands.
2. 2012 Income and Expense 9-Year Comparison
 - a. The in-kind donations represent mileage/gas costs that the president donates while surveying HOA roads. This donation is shown as income and offset by the appropriate expense.
 - b. A \$150.00 donation by a member was in turn donated to the water coalition to help with legal fees.
 - c. Following a motion and a second to approve the income and expense report, it was approved by a show of hands.
3. 2012 Actual Versus Budget Comparison and 2013 Proposed Budget
 - a. The treasurer reviewed and explained the 2012 budget versus actual expenses.
 - b. The treasurer explained significant, favorable variances in the areas of consulting and professional fees and roads, resulting in a favorable actual net income of \$7,759 versus the budgeted net income of \$1,553 for 2012.
 - c. The treasurer presented the 2013 proposed budget. Following discussion, a motion and a second were made and the proposed budget was approved by show of hands.
4. Accounts Receivable
 - a. Amount due the HOA in late assessment fees as of December 31, 2012 was \$9,738.
 - b. Approximately 89% of receivables for year-end are due from two lot owners.
 - c. As of March 1, 2013, 47 members are in arrears totaling \$8,934.
 - d. The treasurer noted payments were received from 14 members prior to the start of meeting.

5. Announcement and Approval of 2013 Dues Assessment

- a. The treasurer announced that the board recommended the annual dues remain \$150.
- b. Following a motion and a second to approve the assessment, it was approved by a show of hands.

Webmaster's Report

The webmaster announced the results of the online member web survey. She stated that common responses included: simplified site navigation, better maps, more Abbe news, and an updated list of members. The webmaster indicated additional surveys would be forthcoming in an attempt to improve the website.

Old Business

1. The 2012 Board Action/To Do List

The six major initiatives pursued by the board in 2012 were reviewed in detail.

- a. Outsourcing for HOA bookkeeping was tabled as a result of the re-election of Kat Brown as treasurer through 2014. This study determined approximately 100 hours of billable bookkeeping would be needed should a future treasurer not have an accounting background.
- b. Cell phone service for Abbe has had mixed results following the erection of a cell tower at Alamo. Polling results indicate variation in service from property to property as well as from time to time on a given property. Verizon indicated to board that they are aware of the need to improve service in this area. The board is continuing to work with Representative Steve Pearce's office to try and improve service.
- c. The board continues to work with Socorro County and the US Forest Service in recommending safety and travel improvements to FS Road 123. The county is aware of the need for improvements and is actively researching funding opportunities.
- d. The board has stopped pursuing hard-line phone service into Abbe as a result of low interest level of both Western New Mexico phone and our members.
- e. The case for drilling the deep wells in the Plains of Augustine moved through a series of appeals by the developer in 2012. The Italian developer continues to appeal the unfavorable decisions the state of New Mexico has upheld to date. Significant discussion pertained to members' concerns for the impact on individual wells at Abbe Springs. The owners of lot 50 stated they attended a meeting held by the developer where the developer's hydrologist stated Abbe Spring's aquifer was different than the aquifer at the Plains of Augustine. The board agreed to continue monitoring news about the matter.
- f. The board looked into a feasible solution for snow plowing of Abbe roads. It was determined the HOA liability insurance would only allow the hiring of a private contractor with its own plowing equipment. The board is continuing to look for a contractor.

2. Abbe Road Maintenance

- a. Since 2004, the HOA has spent \$61,834 in maintaining and upgrading the 14 miles of HOA roads.
- b. The roads were bladed in the fall of 2012 with mixed results. Due to the extremely dry road bed significant rocks were exposed in many areas. The road contractor assured us these rocks would not have been exposed if the base had more moisture. The president cautioned all members to be on the lookout for these hazards, especially on roads less traveled.
- c. Emergency repairs were conducted during monsoon season at two wet weather crossings (sections 5 and 17) and at one culvert in section 27. The owner of lot 50 stated the wet weather crossing in section 17 was fine.
- d. Following discussion, the president mentioned that should the need arise due to construction in section 7, the wet weather crossing at the windmill in section 5 could be filled to accommodate large trucks and trailers with gravel on-hand at site.

3. C&R Document Update

- a. The HOA is faced with a C&R document issue because of the original filing of the document by the developer in 2001. The original document as filed contains an erroneous date and a blank page number referencing the filing of the document with Socorro County.

- b. As a result of these errors, the board is working to establish "actual knowledge" of the filing of the C&R's since "constructive knowledge" cannot be demonstrated.
- c. The HOA's legal counsel is confident "actual knowledge" has been established through a series of affidavits from the sellers (developer) and buyers (original members) of what the "routine practice" was at the time the developer originally sold Abbe Springs properties. Legal counsel equates this "actual knowledge" to be a firewall to challenges to our C&R's.
- d. The board is working with legal counsel for the final solution to this issue, which will be to refile our current C&R's in Socorro County with no changes to the body of the document but simply correcting the blank page number and the erroneous date.

New Business

1. HOA Record Retention

As required by federal and state law the HOA retains certain documents and records for specified lengths of time. In the past one copy of records was retained by the president and a second copy by the secretary. Due to the unexpected loss of a copy of the records this past year, the board has initiated off-site, cloud storage of corporate records in addition to secretary's copy.

2. Board Minutes

The owners of Lot 50 advised the board that the minutes from the March 3, 2012 board meeting were not posted to the web site and the president stated the board will review the matter and post the minutes if needed.

3. Board Election Results

Volunteer proctors Lynn and Dennis Ford counted all votes for the election of two board members, Marshall Adams and Michelle Vallentine, who were both re-elected to the BOD.

Acknowledgements

1. Board Director Michelle Vallentine thanked the Fords for proctoring the election.
2. The president thanked the board members for their dedicated and professional service to the HOA.

A motion was made and seconded, and the membership voted by a show of hands, to adjourn the meeting at 12:40 PM MST.


DATED: March 20, 2013

Minutes presented by:



Vikki Kyffin, Secretary

Minutes approved by:



Marshall Adams, President

Also approved via email by:
Vice President Nancy Crowley
Treasurer Kat Brown
Director Michelle Vallentine