

# Abbe Springs Ranches HOA 2019 Annual Meeting Membership Minutes

March 2, 2019

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, 2019.

## Call to Order and Introductions

The meeting was called to order by President/Treasurer Marshall Adams at 11:03 AM. Members of the Board of Directors (BOD), Vice President Paul Kotula, Secretary Bruce Holsapple, and Director Bob Mack, were introduced and in turn members introduced themselves. Including those officers, 25 lots were represented by 17 owners.

## Secretary's Report

Minutes from the March 3, 2018 Abbe Springs HOA Membership Meeting have been posted on the HOA website since March 2018. A reading of the minutes was waived and the membership accepted them into the record.

## Treasurer's Report

1. Balance Sheet. The Treasurer displayed the results of five HOA balance sheets (from 2005, 2010, 2015, 2016, 2017 and 2018). In 2018, the HOA balance sheet showed a net income of \$336. (In 2017, the balance sheet showed a deficit of \$6313.) The Treasurer reported that contingency funds have remained stable, but that we have not added to them in recent years. A motion to accept the annual balance sheet was seconded and the balance sheet was approved unanimously.
2. Income and Expense Report. A similar chart for Income and Expenses showed conspicuous increases in expenses for financial and legal fees for the second consecutive year. The Treasurer explained that increases in financial consulting fees and in legal fees reflect that we now outsource bookkeeping and lien collections, two tasks previously handled by the Treasurer. He also reported an increase in HOA income for legal, lien and collection fees, as partial recovery against legal expenses. Motion to accept the Income and Expense report was approved unanimously.
3. 2019 Budget. The Treasurer first presented the budget for 2018 and explained variances between approved and actual budgets in 2018, prior to presenting the 2019 budget for approval. He explained those variances in separate slides, such between the proposed budget for legal fees in 2018 (\$6,000) and the actual fees (\$14,047), noting that these figures don't reflect the income which the HOA has received as a result of legal services. When that income is factored in, the total for legal fees in 2018 (\$7,787) is much closer to the 2018 budget. The Treasurer then prefaced the proposed 2019 budget by presenting the three models that the Board

of Directors had to consider, the first from the prospective of the HOA needing to hire both a president and treasurer, the second from the perspective of hiring either a president or a treasurer, and the third with both positions filled by volunteers from the Board of Directors. The Board elected to follow the third model and the assessment fee was fixed at \$200 for fiscal year 2019. This budget is projected to have a net income loss of \$295 for the upcoming year. A motion to accept the 2019 budget and assessment fee as proposed was seconded and approved unanimously.

4. Accounts Receivable. The Treasurer finally reported in detail the accounts currently in collection and the HOA policy on collection. One property is currently on a payment plan; two properties have liens against them; one property is under a release of lien, and one property, currently under lien, soon moves into foreclosure. There was, again, as last year, a discussion of the lien procedure, which had changed (on advice by the HOA attorney) as a result of state seizure of one lot for unpaid taxes. The state lien had been filed prior to the Abbe Springs HOA lien and so it took precedence over our claim to unpaid dues for that lot. The HOA policy now is to file liens when accounts fall into arrears in order to have documents in place prior claims made by the state or county. The procedure is designed to improve our chances of securing unpaid dues by mailing a 30 day notice of a lien to be filed for any unpaid invoice.

### **Old Business**

1. Abbe Road Maintenance. Vice President Kotula (and Director Mack) reviewed details of road maintenance done on the 14 miles of Abbe roads. Expenses average \$7,000 per year. Our roads were bladed in October (2018) and there was a culvert cleaning in August. The roads are currently in good shape. FR 123 has also recently been bladed. If you have a problem, Paul added, let us know.
2. Plains of Augustin Deep Wells. The Vice President explained the parameters of the proposed extraction to pump water from the Agustin Plains to Rio Rancho. He noted that the State Engineer rejected the plan in July 2018 but in September a new legal action was filed.

### **New Business**

1. BOD Elections. Marjorie Hlava, Mike LeBlanc and Robert Mack were elected to the Board of Directors for a three year term.
2. Sale of Lot 117 to Members Only. The HOA acquired Lot 117 through foreclosure and will offer that property to members in a members' only sealed bid auction when the owner's Right of Redemption has expired on April 19, 2019. Procedures for that auction will be determined by the newly elected Board of Directors, and details will be mailed to members and posted on the website.

### **President's Message**

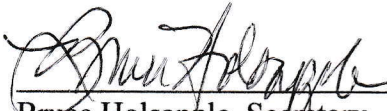
Outgoing President Marshall Adams expressed thanks to those who have served the Abbe Springs HOA over the last several years and explained that members should know that the Board of Directors' cardinal purpose is and always has been to protect the members' interests, that the members are the first and foremost consideration of the Board. Service on the Board is voluntary and often entails much work, for the Board is involved with the business side of being a corporation. He wished the new Board members all success in the coming years and stressed that the Board requires and deserves membership support. President Adams was in turn thanked by the membership for his fifteen years of service to the HOA.

**Adjournment**

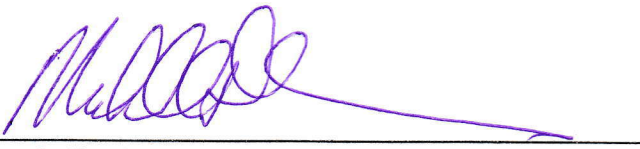
A motion was made and seconded to adjourn. The motion carried and the meeting was adjourned at 12:05 PM.

DATED: March 4, 2018

Minutes presented by:

  
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Bruce Holsapple, Secretary

Minutes approved by:

  
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Marshall Adams, President

Approved by Paul Kotula, Vice President and Bob Mack, Director, via e-mail