

Abbe Springs Ranches HOA 2023 Annual Membership Meeting Minutes

March 4, 2023

The annual membership meeting of the Abbe Springs Ranches Homeowners' Association (HOA) was held at the Magdalena Fire Station, Highway 60, Magdalena, New Mexico, on Saturday, March 4, 2023.

Call to Order and Introductions

The meeting was called to order by President Paul Kotula at 11:05 AM. Members of the Board of Directors (BOD), Vice President Marjorie Hlava, Treasurer Leroy Bieber, and Secretary Bruce Holsapple, were introduced. Director Justin Karl was present by speaker phone. 25 lots with 18 owners were represented.

Agenda

A motion to approve the agenda was made, seconded, and approved by the members.

Secretary's Report

Minutes from the March 5, 2022 Abbe Springs HOA Membership Meeting have been posted on the HOA website since March 2022. A reading of the minutes was waived and the membership accepted them into the record.

Treasurer's Report

The President explained, briefly, that our bookkeeper last winter became increasingly nonresponsive to requests and abruptly terminated services. The Board subsequently found a new bookkeeper in July (The Balance Sheet) but with some compromises, and when we transferred accounts, it was evident that there were a number of mistakes in our bookkeeping. To address those, we were forced to go through the records check by check, and this caused further delays.

1. Balance Sheet. The President and Treasurer displayed the HOA balance sheet for 2022, which showed a drop of \$17,000 in the HOA's total assets (at \$117,896) with a net income of -\$15,628. The fiscal drop was principally due to increased expense in maintaining HOA roads (see below). 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 our total income of \$21,400, slightly lower in 2022, mostly due to six lot owners being in arrears. These members have since paid their balances. Expenses were lower in 2022 for legal fees. There was an increase in financial fees, due to the changeover in bookkeepers, and the cost of road maintenance increased

dramatically. Motion to accept the Income and Expense report was approved unanimously.

3. 2023 Budget. The President reviewed the variances between approved and actual budgets for 2022, prior to presenting the 2023 budget. The HOA was significantly over budget on road maintenance. We budgeted \$5,500, but paid out \$28,403 because of road damage in the summer. The damage was caused by excessive monsoon rains (15-20 inches). To repair some areas, we were required to purchase and install culverts. The President then explained the proposed 2023 budget, with an Assessment Fee of \$150 per lot (as in the previous two years). A motion to accept the proposed 2023 Budget and Assessment Fee was seconded and approved unanimously.
4. Accounts Receivable. In December 2022 there were six owners in arrears but as of March 4, 2023 all HOA lot owners were current. One property (Lot 4) went into foreclosure and was sold at auction. The 2023 Assessment Fee is due today. The President noted that HOA policy for those who are not current is first to mail a reminder letter, then to mail a 30 day notice of a lien to be filed for any unpaid invoice. After April 5, 2023, accounts which are past due are subject to legal and bookkeeping fees. This procedure is designed to improve our chances of securing unpaid dues. We file liens when accounts fall into arrears in order to have documents in place prior to claims made by the state or county. The President also noted that we offer payment plans to members who have trouble paying their annual assessment fee.

Old Business

1. Abbe Road Maintenance. President Kotula opened his remarks on our roads by saying last year was our most damaging and most expensive year ever, then he reviewed the costs of road maintenance over the last two decades. We maintain 14 miles of road and yearly expenses average at \$6,400. In 2022, we suffered monsoon damage both in July and August, with one road rendered impassable. We commissioned emergency repairs where necessary, then addressed problems in September in a more permanent way. FR 123 was also badly damaged, and members of the Board attended meetings with Socorro County and the Forest Service on road maintenance issues. The HOA roads were bladed and further improved in November 2022 and are currently in good shape. FR 123 has since been bladed. (We also commissioned improvements in areas on Geronimo and Camino del Sueno and culvert cleaning in the spring of 2022.)
2. San Agustin Deep Wells. The President explained there were no developments on the legal situation with the proposed extraction to pump water from the Agustin Plains to Rio Rancho. We will continue to monitor it.

3. By-Laws Revision. In 2022, the HOA membership adopted new Bylaws, and they are posted on the Abbe Springs HOA website. Recently, Vice President Hlava has reviewed the Rules and Regulations and proposed to the Board of Directors several changes in order to make our governing documents more clearly expressed and coherent with 2019 amendments to the New Mexico Homeowners' Association Act. She would as well like to develop an administrative manual in which to set forth practices and policies to guide future administrators in their tasks. She solicited members to join her in that project.

New Business

1. BOD Elections. Paul Kotula and Bruce Holsapple were re-elected to the Board of Directors for a three year term.

President's Message

The Abbe Springs Board of Directors has one principal job, and that is to maintain the 14 miles of HOA roads for members and to advocate for upkeep and maintenance on the Forest Service Road (123). All lot owners are now current for the 2022 year and the roads are in good shape. Our maintenance costs were high in 2022 but our financial position remains good. The President thanked Heather Kotula and Justin Karl for work on the Abbe Springs website.

Adjournment

A motion was made and seconded to adjourn. The motion carried and the meeting was adjourned at 11:55 AM.

DATED: March 6, 2023

Minutes presented by:



Bruce Holsapple, Secretary

Minutes approved by:



Paul Kotula, President

Approved by Marjorie Hlava, Vice President, Leroy Bieber, Treasurer, and Justin Karl,
Director, via e-mail.