

Nature Pointe HOA Meeting Minutes

Sunday, November 13, 2011, 4 p.m.

Nature Pointe Clubhouse

Attendance

Board: Alex Leonard, President; Scott Horton, Vice President; Bryan Burns, Treasurer; Karen Leach, Secretary; and Deborah Leonard

I. Call to Order

Alex Leonard, President, called the meeting to order at 4:27 p.m. following the potluck dinner. He thanked our volunteers: Holly Lionbarger, donating gym mats; Melissa Rugge, demonstrating how to use the new TRX equipment in the fitness room; Dale Rugge, teaching weekly self defense class; Melissa Trudell, teaching yoga; Josie Aragon, updating website; Jeff Eschenburg, developing the trails in Phase II; Bryan Burns, installing an additional camera for gate security; and the Board members, committing many hours of time and energy.

Alex welcomed lot owners John and Trudy Henderson and Jeff and Robin Eschenburg.

II. New Home Construction

Alex said Kristin and Erik Skogen, lot 6, have completed their house plan review. Robert and Donna Metcalf, lot 54, have preliminary house plans. Mark and Karen Tuttle, lot 44, have started construction. Patsy and Matt Spellman's home is coming along well and they should be in soon.

III. Clubhouse Update

The outdoor concrete basketball court was poured and the hoop pole installed on 11/11/11. Twenty-six pine and juniper trees will be planted along the south and north property line to create more privacy between the homes and people using the patio, lawn and court games. Work on the playground is moving along well. Bryan Burns installed security cameras at the gate to capture license plates of people departing Nature Pointe.

IV. Financial Reports

Bryan Burns, Treasurer, reviewed the Profit and Loss Budget versus Actual third quarter statement as of September 30, 2011. The HOA Dues revenue is over budget by \$5,74.99 due to lot sales. Alex Leonard, developer, paid \$20,000 to our Reserve account which was a requirement per our Covenants. The OSUG (Outside User Groups) revenue shows under budget, however, more than \$74,000 was paid and recorded in last fiscal year for 2011 weddings. We are now reporting income differently (*reporting revenue in the year it will be earned, rather than the year it was paid*), so next year's financial statements will be easier to follow. The apartment rental revenue is under budget because John Kay, renter, does work projects around the Clubhouse in lieu of paying rent. Tina Armijo asked if this was the correct way to handle this transaction according to IRS rules. Bryan said he inquired with our auditor and he verified that this was a correct way to handle a small amount of work exchange.

Bryan said that although the net income reflects a \$37,175.14 deficit, the total carryover from last year was over \$80,000 from 2011 Outside User Groups and HOA Dues. We will have approximately \$40,000 income at the end of this fiscal year that we will need to pay income tax

on. Steve Mitchell asked if we are looking at ways to decrease our expenses. Bryan confirmed that we evaluate and monitor our expenses carefully. Bryan explained that to reduce our tax liability there are a variety of things we can do: write off bad debts (*4 entities totaling \$15,725 in HOA dues on foreclosures*), fill our propane tank at the end of December, purchase an ice machine and do other projects that are in the budget. Chet Leach suggested buying electric ahead. Chet also asked what our dues would be if we did not have weddings and other outside revenue. Bryan explained that currently HOA Dues cover only about 30% of our costs to operate the Clubhouse. Therefore, HOA dues would be approximately \$400-540/resident/month. Susan Clark asked how do we market lots to prospective buyers, stressing the need to explain that the HOA Dues do not cover expenses. Alex Leonard and Patsy Spellman, Nature Pointe Realtor, verified that this is correct.

Bryan reviewed the Balance Sheet. He said at the end of the year we will have over \$30,000 in our Reserve Account (*\$20,000 from the developer and \$10,000 from the HOA this year*). Trudy Henderson asked about a budgeted facility listed of property improvements/needs. Karen Leach explained that the Board developed a list, however costs have not yet been obtained. John Henderson congratulated the Board/HOA for their success in funding the Reserve account.

V. Architectural Control Committee (ACC)

Chet Leach reported that the ACC did a drive through inspection on projects that were requested from homeowners. He said there are still a few things that need to be completed. He asked again for ideas about how to develop a timeline and fine structure for work not completed. He asked for ideas about a fair system from those who have had previous experience. Trudy Henderson said she had information that she will share with the ACC. Scott Horton said most residents have been good to follow through on their projects and that's what keeps our community looking attractive. He said if you see anything, please let the ACC know what needs to be done.

VI. HOA Member Discussion

1. Playground — Gary Clark asked about potential injury liability for the Clubhouse pond and playground. He asked if County building permits were obtained. Alex said he did not think a building permit was required on the playground and pond, but he would do the research. Bryan explained that he and Vicki own a child care center in the East Mountains and no building permits were required for the playground. Alex said that an inspection may be required once the playground is completed and he will check into the process.

Steve Mitchell asked if we need additional liability insurance. Vicki Burns explained that the Non-Profit business she is involved in is a child care business and, therefore, must have a State license. As a result, there are state inspectors that visit that facility. However, the HOA is not operating a child care business and, therefore, those rules do not apply. Trudy Henderson explained that we are a private facility, not a business, which may have different requirements.

Steve M. asked if we close the pool and playground during weddings. Alex said yes, if alcohol is served. Susan and Gary Clark asked if the electrical work around the pond was per code and if it had been approved by the Bernalillo County inspector. Alex will look into this matter. John Henderson suggested looking at ways to mitigate potential liability. Bryan

said we reviewed our insurance policy last year, and we will do it annually to be sure we have proper coverage.

2. **Hiring Process** — Alex said the hiring process is moving along well. Steve M. asked if we will hire someone with wedding experience. Karen Leach said we have received nearly 100 resumes for the Clubhouse Manager and Facilities Manager positions from many highly qualified candidates. John Henderson applauded the efforts of the current staff on the weddings, and said he has heard positive remarks from people about Nature Pointe from people who have attended weddings.

3. **Nature Pointe Logo**

John Henderson shared a marketing idea — clothing with Nature Pointe's logo done by a mail order company, Land's End. He passed the jacket around for everyone to see. We all thanked him for his idea and effort in coordinating with Land's End. He will send HOA members the information via e-mail.

4. **Home for Rent** — Holly Lionbarger explained that their family will travel for one-year around the country, starting in the Summer of 2012. They are interested in having someone stay in their home while they are gone. She asked if anyone knows someone, to have them contact her.

VI. Adjourn

Alex moved to adjourn the meeting at 5:32 p.m.