

Nature Pointe HOA Meeting Minutes

Sunday, November 16, 2014 p.m.

Nature Pointe Clubhouse

Board members present: Alex Leonard, President; Karen Leach, Secretary; Veronica Montano-Pilch and Deborah Leonard

HOA members: 38 members representing 21 lots

I. Call to Order

Following a potluck dinner, Veronica Montano-Pilch, Meeting Facilitator, called the meeting to order at 4:32 p.m. She introduced herself as a new Board member, gave a brief background and asked everyone to introduce themselves.

II. Recognition

Josie Aragon, website; Tina Armijo, NP directions/info design; Thiel Baca and Maria Dernocoeur, plants/flowers care; Vicki Burns and Thiel Baca, organized Trail Work Day and the 20+ members who helped; Sue Campbell, care for roses; Jim Dernocoeur and Linhson Do, closing up Clubhouse; Jeff Eschenburg, trails and ACC; Robin Eschenburg and Michelle LaCasse, hummingbirds; Scott Horton, maintenance support, closing up Clubhouse and ACC; Rebecca Horton, Veronica Montano-Pilch and Marty Pilch, Finance Committee; Heidi Ruffner and Alison Murray, monthly financial conciliation; Karen Leach, some Manager duties, landscaping and recycling; Roseanne Mitchell, new resident welcome baskets and hummingbirds; Dale Rugge, Karate; Melissa Trudell, pool chemical balance and Yoga; April Sweet, gate programming and hummingbirds; Bryan Burns, computer, IT and gate support; and Board members for continuous efforts.

Alex thanked our staff and contractors – Clubhouse maintenance: Patrick Tigue and Paul Reed; Cleaners: Alma and Aurora; Weddings: Holly Siebert, Wedding Manager, Hank Spellman and Marisol Alvarez-Torrez, Day of Event Coordinators; wedding workers: Dayton Bell, Stephanie Gomez, Emily Innes, Donny Kruse, Tim and Don Kuehn, Brinna, Bridget and Beth Rammage, Scott Brown, Ashley Gushulak and Martin Pilch

III. New Homes & Members/Owners

Alex welcomed members who recently moved in: Tom and Vera Perry; members who are building new homes: Jim and Maria Dernocoeur, Tim and Penny Esquibel, Marty and Veronica Pitch, Eric and Kristin Skogen; and he welcomed new members: Matt and Anna Burkhalter, Tom and Mary Deeney, Tim and Penny Esquibel, Jennifer Gilmore and Alfred Pas, Nathan Hawkins and Betsy Netz, Tony and Deedra Lucero, Mitch and Kathy McCrory, Dave and Carol Oakey, Dean and Shawna Vigfusson

IV. Realtor Report

Patsy Spellman, Nature Pointe Realtor and member, said she sold 4 lots this year and she is hoping to sell another 2 before the end of the year, which will be similar to past years. Nature Pointe has sold a total of 67 lots of the 112 lots. This year we had 2 resale lots and 2 homes sold. We have 22 homes built so far with several more members planning to build in the near future.

V. Projects

Maintenance Projects – Alex reported that the annual road crack seal will be done soon after being cancelled last week, a new salt generator was installed in the swimming pool which is handling the chemical balance well, the cords on the pool cover will be repaired next week, roof repairs were completed and we are waiting for a valve assembly for the septic system repair. He said we have completed the requirements from the OSHA visit which included using ladders properly, and purchased additional gloves, goggles and face shield for handling the pool chemicals. Karen sent a report to OSHA.

Special Use Permit – Alex reported that we are working on site requirements for the Special Use Permit. The parking area is almost finished. The Fire Department made an inspection which was initiated by our application for a Business Permit. We are working on several things they requested, such as remove 1 exercise machine in the Wellness Center to allow better access to the side entrance. He said Bernalillo County Building Department also did an inspection and they did not have any recommendations. They said the speed bumps may not be required. The approved site plan was taped to the wall for member review.

Clubhouse Rule Book – Alex said we are working on revising the Clubhouse Rule Book, we have a member committee who is assisting, and we will send a copy to members for feedback prior to finalizing, however, we may not be able to include all suggestions.

Holiday Party – Shawna Vigfusson reported on the Holiday Party, which will be held on Saturday, December 20. The event will be a potluck and she encouraged others to volunteer to help plan the event. Alex said we will have a DJ, and beer and wine will be served. Each lot will have 4 tickets so members can include other family members and/or invite guests, including children.

VI. Committees

Veronica reported that the purpose of the committees will be to provide information to the Board. The **Finance Committee** members are Marty Pilch, Rebecca Horton and herself; and the **Wedding Committee** members are Tina Armijo, Wes Trudell, Shawna Vigfusson, and herself. They will help to develop a business model, create an analysis tool for income/expenses, and use documentation already developed by Bryan Burns and April Sweet.

Veronica said the Finance Committee will use the **Reserve Study** to estimate long term expenses for maintenance, repair and replacement. Marty Pilch designed an excel spreadsheet which will be a valuable tool to calculate funding needs for maintenance and operating expenses. Rebecca Horton provided a power point presentation of future expenses from current information and the Reserve Study.

Veronica explained that a representative from Association Reserves spent several days at Nature Pointe assessing our future building/property financial needs. She said it would be similar to assessing your own home and saving money for future repairs/needs. She presented several charts illustrating future building projects, e.g. estimated amount projected in 22 years

for road resurface and other repairs compared to years when minor repairs/replacement needs will be required. Our Reserve Fund history:

2011 = \$10,000 plus \$20,000 from the developer = \$30,000

2012 = \$25,000

2013 = 25,000 plus \$30,000 in a 1 year CD

Total = \$110,000

Veronica explained that the Finance Committee will help to forecast financial needs in an effort to avoid special assessments. Dues have not been raised in the past and in order to stay up with inflation the Finance Committee proposed a dues increase of \$90/lots and \$160/home to meet the needs of future operating expenses and Reserves. Veronica encouraged members to volunteer for the Finance Committee and to share their ideas/knowledge.

VII. Architectural Control Committee (ACC)

Scott Horton reported that he and committee members Jeff Eschenburg and Alison Murray have incorporated design and guidelines in the Covenants into a formalized application process, including a checklist for new home construction. The tool will help the ACC know where members are in their building process. They will use the same application process for members who want to make improvements to their home. A formal drive through will be done, although Scott reported that most members are doing a good job of adhering to the guidelines in the Covenants and the ACC appreciates their efforts.

VIII. Financial Reports

Alex reported that Steve Sanders, CPA, has done the first and second quarter financial reviews and the third quarter review has been scheduled. Copies of the 3rd quarter Profit & Loss Statement were distributed. Alex reviewed income highlights: HOA Dues are over budget by \$6,000 due to increased lot sales, event equipment rental is over budget due to increased china rentals, and wedding revenue is down because we were unable to book/collect nonrefundable \$840/wedding deposits until the Special Use Permit was approved on 10/7.

Alex reviewed expense highlights: staff expenses are down because we do not have a Clubhouse Manager, Reserve Study was \$3,500 which was lower than the budgeted \$12,000, utilities are close to budget, ground services are under budget because we did not replace the gate cameras, and licenses and permits are over budget because of Special Use Permit (SUP) expenses. Dean asked if we could separate these expenses. Karen said we have already set up new chart of account numbers for SUP expenses: materials, labor, legal and Consensus Planning which will be reflected in the 4th quarter financial reports.

Alex explained we may have significant future legal fees. Farmers Insurance will represent the HOA through our Director's & Officers insurance coverage. Taxes may increase as our income increases. The HOA event expenses are lower because we have a marginal budget for the Holiday party, and OSUG (outside user group) expense is under budget because we have been laundering linens we own rather than using a cleaning service. The Net Income as of September 30, is \$66,564 compared to the budgeted \$27,002, which is \$39,552 over budget.

Alex reviewed 2014 wedding income and expenses through September 30, 2014:

<u>Wedding Income:</u>	
Equipment rental	\$ 10,723
Weddings	226,269
Total	\$236,992

<u>Wedding Expenses:</u>	
Labor	\$ 45,066
Advertising	5,178
Expenses	10,065
Total	\$ 60,309
Net Income	\$176,683

Alex said the above Net Income does not include taxes or the Manager's salary. He said we will end the year strong, however, next year will be a challenge because we don't have many weddings booked for April – July.

Reserve Study – Information from the Reserve Study was addressed under the Committee report. Veronica said since we recently received the report so we will have more information after it has been reviewed in greater detail by the Board and Finance Committee.

IX. HOA Annual Meeting

Veronica announced that the HOA Annual Meeting will be at the end of March to allow time to closeout year-end finances.

X. HOA Member Discussion

Veronica asked for questions/comments from members:

Heidi Ruffner asked about the proposal to increase HOA dues and what is the process the Board and Finance Committee will use to make recommendations. Veronica said the budget will be developed and voted on by the Board.

Dale Ruggie announced that he will open the Karate/Self Defense Class to members who would like to take the training. The class is composed of about half adults and half children and is appropriate for beginners to advance students. He suggested members should first observe a class before registering. Classes are held weekly on Wednesdays at 6:45 p.m.

Vicki Burns asked how much does the Reserve Study recommend putting into Reserves annually. Alex said \$8,100/month or \$97,200 annually. Karen said it's an amount we need to strive for, although we know that some areas are over projected.

John Lionbarger said since we know we will have a shortfall next year if wedding bookings don't happen, what is the Board's plan? He said he understands we want to hire a Manager, however, what about the shortfall? Veronica said we want to employ people so Alex is not volunteering his time, and we need the expertise of our members. She again encouraged members to join the Finance Committee to help with solutions.

Heidi Ruffner asked if the Board would consider having meetings in the evenings. Veronica said we could and indicated that meetings provide opportunity for members to ask questions and give comments following the meeting. Karen also suggested weekends. Committee meetings could possibly follow the Board meetings.

Dale Rugge asked about investing our funds and if any thought had been given to potentially finding a 5% return on our investment. Karen said yes, last fall we moved money into 2 and 1 year CD's which Bryan Burns investigated. Bryan said the best option last year were the CDs at 2% interest. He asked if others know of better investment opportunity to speak up and make recommendations.

Melissa Trudell said the swimming pool deck needs to be cleaned and the sides of the pool scraped. She said the acceptable chemical balance range for the pool water is 3,200-3,900 parts to million and our pool is currently at the top level. She recommended draining the pool by 15% and replacing the water, and washing the pool cover metal tracks periodically to help extend the life of the tracks. She asked for volunteers to help her clean the pebbles on the deck and scrub the sides of the pool, as well as steam clean the steam room and sauna. She will put information together, pick a date and email members. Board members thanked Melissa for her initiative and efforts.

Bryan Burns asked who is on file with the State Public Regulatory Commission as Board Treasurer and to please remove his name. Karen said she will make the correction.

X. Adjournment

Veronica thanked everyone and adjourned the meeting at 5:45 p.m.