

Nature Pointe HOA Meeting Minutes

Sunday, December 12, 2010, 4 p.m.

Nature Pointe Clubhouse

Board members present:

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

I. Call to Order

Alex called the meeting to order at 4:20 p.m. He welcomed new lot owners, Karen and Mark Tuttle (*lot 44*), and new residents, Heidi Ruffner and Eric Schwindwolf. April and Nathan Sweet will move in to their new home on December 22. Construction will begin this month on Patsy and Matt Spellman's home in Phase II.

Alex thanked our volunteers: Melanie Palmer, cleaning; Melissa Trudell, yoga instructor and event organizer; Bryan Burns, gate camera, website and financial reports; Dave Ashworth, gate issues, donation of \$1,000+ of tools, use of Michelle's tractor; Roger Comstock, donation of CPA hours; Patsy Spellman, event assistant for summer weddings; Rosanne Mitchell, welcome baskets; Karen and Jeff Palmer, new resident welcome breakfast; Scott Horton, tractor mowing along the roads and work on ACC; Karen Leach and Donald and Clay Dewey, landscape weeders; Theresa Chamas, assistance with liens on lots owners in arrears; Chet Leach, ACC involvement; and the Board members. Alex also thanked workers: Wes Trudell and Paul Reed, pond and playground; Claudette Trudell, wedding assistance and cleaning; and John Kay, event assistance, window washing and landscape assistance.

II. Announcements

- a) The next HOA meeting and potluck (*Annual meeting*) will be Sunday, February 20, 2011, at 4:00-6:00 p.m.
- b) Debbie Leonard resigned as HOA Secretary. The Board elected Karen Leach as the new Secretary.

III. New Business

a) Miscellaneous

1. The snow plow truck is running. Owning our own truck will make the snow removal process more efficient and it will be done earlier in the morning. Alex asked if anyone is interested in volunteering to be a driver, if so please see him for training.
2. We purchased a side sickle for use on Michelle La Casse and Dave Ashworth's tractor for mowing ditches and along the roads. Scott Horton has done an excellent job with the mowing. The sickle will make the process more efficient and to be done more frequently.
3. Cleanup in Phase II is progressing.
4. The playground is also progressing. Most of the dirt work is done.
5. The temperature in the swimming pool has been turned up. Melissa Trudell said she noticed the difference and thanked Alex.

b) Security Camera

1. Dave Ashworth explained that the strobe light that flashes when vehicles come through the gate is not connected to a camera. The video camera for security is attached to a pole near Red Fox cul-de-sac. The camera will record vehicles coming in and their license plates as they drive out. We now have all of the camera equipment. Bryan Burns has volunteered to install the system.

c) HOA Finances

1. Bryan Burns, Treasurer, presented via power point the January 1 - September 30, 2010 Profit and Loss Statement. He explained that the statement is an expanded version with more detail of what he has presented in the past. The report comes directly from our QuickBooks system and is done on an accrual basis. Roger Comstock, CPA and lot owner, said we could allocate additional expenses for our outside user groups to offset net income. Tony Aragon asked about the limits of income for a nonprofit. Bryan explained that it only impacts the tax return form we will file.
2. To address a question from Tony about our nonprofit status, Bryan read the definition of a nonprofit corporation from the NM statutes, "Nonprofit Corporation means a corporation no part of the income or profit of which is distributable to its members, directors or officers." He explained we are in compliance. Roger Comstock confirmed this information and also suggested that we talk to a CPA who works with HOA's and specializes in nonprofit organizations. Bryan agreed and will contact United Way to get recommendations for CPA's.
3. Bryan has requested quotes to do a financial review or audit on our books. The difference in cost for each will probably be substantial, which will impact our decision on which type to have done.
4. Bryan and Roger Comstock explained that income from outside user groups will be taxed at 30% based on our net income. Roger said a lot of expenses can be allocated against event revenue to reduce our tax liability such as utilities, rent, contract salaries, etc. Discussion followed about nonprofit versus corporate status of the HOA. Roger explained that when we file our taxes we will look at the total picture to determine if we want to remain a nonprofit.
5. Bryan presented the January - September 2010 Profit and Loss Statement on a cash basis, which showed revenue of \$94,886.81 and expenses of \$88,065.12 with a net income of \$6,821.69. He said we have 5 entities (*could be a group of lots owned by the same person*) that have greater than 60 days in arrears on their HOA dues. We have liens on these lots. The bank recently took over one entity and we received back HOA dues. He estimates that it will cost about \$120,000/year to cover HOA expenses, including the Clubhouse. Revenues from the weddings and outside user groups helps to cover these costs. The board will develop a budget for 2011 using these figures. The budget will be presented at the HOA Annual Meeting on February 20 and be posted on the website. We all congratulated Bryan and Roger for their tremendous volunteer work on our finances.

d) Website Update

1. Bryan Burns explained that he has expanded the members only area on our website to include HOA meeting minutes, Board meeting minutes, quarterly financial statements, and HOA member event contract and pricing sheet (*soon to be added to the website*).

2. Bryan presented a chart of the number of website hits we have received per month during June through mid-December. Our site is definitely being viewed with summer months the highest, and an average of 1,215 hits per month.
3. A new e-mail address has been established: HOAboard@naturepointe.com. Messages will automatically go to each board member.

e) ACC Committee

1. Chet Leach, ACC member, read from the Covenants, Article 13. Architectural Control Committee, page 32, "Developer shall serve as the ACC until 90% of Phase I and II lots are sold . . . All variance requests must be made in writing and if approved, the variance shall be approved in writing." He and Scott Horton also serve along with Alex on the ACC.

He said that we, as lot owners, need to follow the Covenants. He explained that our Covenants are similar to other HOA's and they are not out-of-line. The Covenants are in place to ensure that we can take action to protect our property values. The ACC developed a one page form to make the process easy. He went through the form, indicating that it should take no more than 5 minutes to complete. Dave Ashworth cited several sections in the Covenants, emphasizing the importance in adhering to the contract that we all signed. Discussion followed with Tony Aragon and Gary Clark questioning the process, and April Sweet, Patsy Spellman and Melissa Trudell supporting the process.

2. Chet explained that in an effort to be more transparent as issues come up that impact the entire community, the Board would like to gather feedback via a nonbinding straw poll before making a decision. If you choose not to participate just delete the poll. We will make the results public (*the forms will be destroyed and how individual people voted will not be disclosed*). Karen Leach clarified that the poll is just one piece of information that will be considered by the Board in making the final decision. Discussion followed about a flagpole and other lot owner infractions that have not yet requested or received ACC approval. Now that we have a ACC Property Improvement/Addition form, the ACC and the Board will begin to be more diligent in working with residents to submit their requests in writing. The form will be available in the Clubhouse office and on the website.

f) Annual Meeting

Alex announced again that the HOA Annual Meeting will be held on Sunday, February 20, 2011 from 4:00 to 6:00 p.m. at the Clubhouse. He said that even though he has yet sold 50% of the lots we will have an election of a Board member at the Annual Meeting. A nominating committee will be established.

IV. Adjourn

Meeting was adjourned by Alex at 6:13 p.m.

Karen Leach, Secretary

Date