

Nature Pointe Board Meeting

Minutes Thursday, June 13, 2019 at 6 p.m.

Nature Pointe Clubhouse

Board members present: Karen Leach, President; Matt Spellman, Treasurer; Alex Leonard, Secretary & ACC Chair; Jaime Cruz, Maintenance Committee; Shawna Chriss, Wedding Committee; Crystal Glen, Safety & Security & Finance Committee; and Debbie Leonard

Management Company: Adam Summers, Community Manager, HOAMCO

Members present: Buck Dewey, Mary & Tom Deeney, Carol & Dave Oakey and Eric Schindwolf

I. Call to Order

Meeting was called to order at 6:05 p.m. by Karen, who welcomed members in attendance.

II. Board Votes

Board members voted via email since the previous March 25th Board meeting to: approve the 3/25 Board Minutes, Annual insurance with Central Mutual, TAS Security Systems to install stronger locking system on Clubhouse doors (*Karen thanked Eric for his tremendous help with this project*), clean Buffalo chairs, return deposit to Clubhouse renters and approve the Employment Agreement and Job Description for Courtney Brooks, Venue Director

III. HOAMCO Report

Adam reported that the Annual June 30th Meeting/Board Elections packet was emailed and mailed to members on June 12th.

IV. Financial

A. Matt reported on 1st Quarter Finances:

Balance Sheet

Operating Checking	\$ 20,909
Wedding Account	\$103,480
Reserves	\$235,411

P&Ls show HOA income is on budget, and wedding income is \$19,000 over budget since sales are up. Total income is \$66,790. The expenses are mostly on target with a few exceptions: Ray's, Maintenance Manager's, salary is over budget – he needs to stay within 25 hours/week, Grounds Maintenance Services is over because of miscoding – should be under Building Maintenance Supplies, Pool Supplies and Clubhouse Supplies are over. Operating Net Income is (\$22,896) which is better than the projected (\$41,784) because of high wedding sales.

Karen explained we normally operate in the red the first two quarters until wedding sales catch up. Shawna asked why insurance expense is below budget. Karen explained that we developed the budget last November and thanks to Deb who put us in touch with a different insurance agent in April, we were able to negotiate an annual rate of \$14,000 versus \$26,000. Karen moved that we accept 1st Quarter financials, seconded by Deb; Matt, Karen, Alex, Deb, Crystal and Jaime voted in favor, Shawna abstained, motion passed.

B. Finances – April 2019

Matt reviewed April's financials. The Balance Sheet shows \$8,885 in the Operating Checking account with \$137,043 in the Wedding Account. Income and expenses are mostly on target. Operating Net Income is (\$28,665) compared to (\$44,793) budgeted. Alex noted that Wedding

Advertising is low. Shawna confirmed that we paid for website enhancement, SEO (*Search Engine Optimization*) and printing marketing materials – need to check for coding errors. Alex also noted that equipment rental income is low. Discussion followed about the need to break out equipment versus wedding sales. Shawna confirmed that rentals are often added to the wedding package rather than an extra charge. It was decided to eliminate the equipment rental category from the P&Ls.

Tom Deeney, member, asked if payroll taxes are being paid. Adam confirmed after checking the payroll records on his computer.

C. Annual Insurance

Deb thanked Eric Schindwolf and Marty Plich, Finance Committee members, for assisting the Board in the obtaining this year's annual insurance. She contacted Kerry Buehler, Western Assurance, who was able to find better coverage at a lower rate (\$14,000 vs \$26,000), including liquor liability coverage. Eric explained that the bride is required to purchase a 1M dollar 1 day policy, which combines with the HOA general liability for 2M liquor liability coverage.

V. Building Maintenance

A. Bridge Project

Jaime reviewed the 3 quotes for the bridge project: HASSE Contracting Company for \$60,290, Prodigy Builders for \$28,683 and Ironclad Concepts LLC for \$14,887 plus materials which will be ~ \$2,500-3,000. Adam said he had also obtained 2 quotes for \$50,000-\$60,000. Ironclad Concepts can complete the project within 3 days by bringing a large crane to remove the bridge, install new steel I-beams, anchor floor decking, weld railings to the steel and put the bridge back in place. Eric asked about reinforcing the rails since the plans show rails attached to the wood beams. Karen confirmed that they will be connected to the steel. The Board thanked Jaime for his excellent work on this project.

Jaime will oversee the purchase of materials from Reliance Steel who also received the specifications from Landon Engineering LLC to ensure the specified quality of the steel and materials. Jaime moved acceptance of the quote from Ironclad Concepts LLC, seconded by Shawna, motion passed unanimously.

B. Roof & General Maintenance

Alex reported that Ray, Maintenance Manager, indicated that there is an estimated 30 marks of hail damage on a 3' x 3' area all over the roof, and Shop/Apartment roof seemed to be in better shape. Roof construction is a Modified Bituminous application, which would need to be torn off making it similar in cost to TPO (*a higher quality product*). Various contractors suggested TPO replacement which has a life of ~ 20 years. Crystal noted that TPO tears easier if walking on the surface. She suggested if our insurance doesn't allow full replacement we should repair the roof as needed versus replacement. Eric confirmed that the insurance policy allows full replacement. Karen requested quotes from 2 contractors and she is in touch with adjustor who will be out next week.

VI. Committee Reports

A. ACC

Alex reported that Matt Mulligan, member, recently purchased Lot 14, 19 Coyote Canyon Trail, and will build a spec home breaking ground this month. The ACC is working with residents on a few requests. Adam reported that he drives through the neighborhood for ACC checks on a weekly basis and sends letters as appropriate. Karen thanked him for staying on top of this.

B. Wedding LLC

Karen spoke to Steve Sanders, HOA CPA, and he promised to send his written recommendations soon for creating an LLC. Eric said Steve needs to confirm if the HOA can charge the LLC rent and take advantage of tax benefits. Alex researched this topic and discovered it could be questionable. Karen sent this information to Steve for clarification.

We learned recently that if we create an LLC the HOA insurance policy would remain the same and we will need a new policy for the LLC. The property (*pool, pond, etc.*) will remain in the HOA insurance policy. Eric reported that we also met with Bernalillo County representatives which went well. They confirmed that creating a Wedding LLC would not impact our Special Use Permit (SUP) since it stays with the ownership of the property (HOA) not the organization managing the events. Eric said he will develop questions for the HOA attorney. If we can get information from Steve Sanders, Eric and Marty will create a power point presentation for the Annual Meeting.

C. Safety & Security

Crystal thanked Eric Schindwolf and Heidi Ruffner for assigning gate codes to members for the front gate and updating the computer database in the Office. Adam confirmed that he can handle future updates.

Eric said Phase 1 of the Clubhouse locking system is complete, which aligns with the Board's vote last summer to lock it 24/7. Member access will be by key "card" or key "pad". He asked about the apartment door. Karen said TAS recommended a locking door code similar to the one on the Kiva. Phase 2 will be completed on Tuesday, June 18 and training for the system will be done by TAS on Tuesday, June 25th at 1 p.m. Eric, Ray, Karen and Adam will attend. Karen reported that the first phase cost is \$4,200 and the second phase will be \$3,900. The primary cost of phase 2 is replacing the smoke detectors every 10 years as required by the Fire Department. Robbie Travis, Clubhouse Renter, is locking each night until this system is in place.

D. Social Committee

Karen reported per Melissa Trudell's report: The Committee is planning a Summer Party on Sunday, July 28th starting at 11 a.m. with swimming and games then a BBQ with hamburgers, hot dogs, watermelon and corn on the cob.

We will have a New Resident Breakfast possibility in August. Shawna commented that as a new resident last year she really enjoyed the opportunity to meet lots of members at the breakfast. Mary Deeney reported the Committee will meet soon to finalize the details. She requested a budget for the Summer Party. Alex suggested \$400 and Board members agreed.

E. Weddings/Events

Shawna reported she could not come to an agreement regarding the language in the Raytheon contract for their July party because of a merger with United Technologies. Raytheon agreed to forfeit their \$3,500.00 payment.

The Big Fake Wedding at the Clubhouse was a tremendous success. Only one event/state was selected throughout the country. Our expenses totaled \$1,158.50. So far we have not gotten any direct sales since many of the couples were already booked at NP. However, we received excellent exposure in national blogs: 100 Layer Cake, Wedding Chicks, Junebug Weddings, The Perfect Palette, HOORAY Magazine, Flutter Magazine, Ceremony Magazine, More Than Lovely, and Southern Bride," and social media coverage from every vendor who attended the show.

Courtney has booked 48 weddings in 2019, 23 in 2020 and 1 in 2021. She will update our website to include our 3rd place win in the *Burque*. We are generating a lot of traffic on our website which should be confirmed in our SEO/SEM report. Karen reported that Courtney also put HOA minutes on our website and will soon add the financials.

Shawna brought to our attention that we have one staff member who doesn't have her driver's license and needs to be picked up at the end of cleanup. Board members suggested that Courtney schedule her for earlier hours. Courtney reported gophers in the lawn, and the outside lights under the Porte Cochere are not staying on through cleanup. Alex will check the timer.

Courtney recently hosted a breakfast for the East Mountain Chamber – NP is a member.

Deb reminded the Board that with more lots sold, the maximum number of weddings/year is now 51. The Board congratulated Shawna for her excellent involvement in increasing/enhancing the wedding business. Eric noticed the 2 "Special Event" street signs haven't recently been up to slow traffic as required by Bernalillo County, and Crystal requested that guests not park large trucks by the orange cones. Shawna will follow up with Courtney on both.

F. Annual Meeting/Board Nominations

The Annual Meeting will be held on Sunday, June 30 at 4 p.m. at the Clubhouse. Shawna reported that the Nomination Committee gave input on the Board nomination packet, and they will verify the voting process at the meeting.

VII. Old Business

- A. Phase 6** – Alex reported continued delays with finalizing Phase 6. He hopes that 5 lots in the phase will be approved soon and the remainder will take several more months.
- B. Clubhouse Apartment Rental** – We were successful in renting the Clubhouse apartment for \$1,250/month – \$300 increase and turning it within 2 weeks. There are some challenges with noise from the Wellness Center and weddings, but overall the renters are happy.

VIII. New Business

A. Tree Bugs

Our landscape contractor reported bugs in the Ponderosa pines. Karen contacted Advanced Tree Care who gave a quote of \$970 to spray the pines, pinons and spruce trees. Adam contacted BrightView Landscapers. Karen also met with them. Shawna asked Bernalillo County Extension Service to look at our trees on Wednesday, June 19. Discussion followed about the need to increase watering efforts to reduce the stress on the trees. We will inform residents who may also want to inspect the health of their trees. Karen moved to accept Advanced Tree Care's quote and do the spraying following the Extension Service inspection, seconded by Crystal, motion passed unanimously.

IX. Adjournment

Meeting adjourned at 7:50 p.m.

Member Questions:

Mary Deeney reported asphalt cracks on Mustang Mesa Tail. Deb suggested obtaining a quote from Gayload Paving for annual crack filling. Mary requested the landscapers to cut edges of all roads. Karen confirmed and will follow up with them. Mary asked about the Mustang Mesa street sign that blew off. Alex confirmed it has been ordered, however the sign company is back up for several weeks