

Nature Pointe Board Meeting

Minutes Monday, March 30, 2020 at 6:30 p.m.

WebEx

Board members present: Karen Leach, President; Dave Oakey, Vice President; Eric Schindwolf, Treasurer; Alex Leonard, Secretary, ACC Chair and Maintenance Committee; Shawna Chriss, Wedding Committee; Bill Hensley, Board Nominations Chair and Chris Hammer

Management Company: Sam Anderson, Community Manager, Blue Door Realty

I. Call to Order

Meeting was called to order at 6:35 p.m. by Karen, who welcomed all those participating in the WebEx online meeting due to the need for social distancing. She thanked Chris Hammer for his expertise in setting up the webinar, allowing Board and HOA members to participate from their homes. Chris explained the online technology.

Addition to the Agenda included a Virtual Happy Hour with members.

II. Board Votes via Unanimous Consent

Dave explained the 3 categories in which Board members vote/approve projects and/or issues. On significant matters the Board votes and signs a Unanimous Consent form when voting by email on matters that cannot wait for an upcoming Board meeting. Other categories include requesting approval and/or feedback and insights on routine matters before making decisions.

Board votes via unanimous consent since the prior Board meeting: Assessment rate for 2020 \$200/month/home and \$114/month/lot; Otero & Sons Roofing replace Clubhouse and Maintenance Shop; Cuda Aquatics replace 7 LED pool lights ~ \$9,000; 3rd Quarter GAAP Finances, including 15 year depreciation for roads and parking lot; Amend Covenants - lots will be assessed at a rate lower than homes; Paid Pond Bridge \$17,312 from Reserves; Contributed \$75,000 to Reserves in 2019; and Appointed Chris Hammer to Board.

III. Measures Taken Around Coronavirus

Dave shared the impact of the coronavirus on our operations. Due to the NM Department of Health's Public Health Order that reduces business workforce to zero this shuts down our wedding business, but it is less clear about members using the Clubhouse. Therefore, we consulted with our HOA attorney, Scott Turner, who strongly advised keeping the Clubhouse closed.

Dave discussed the financial impact indicating that we will have a shortfall depending on how long our operations are closed. We may need to access our Reserves or increase the HOA assessment rate, stating it would be better to first access our Reserves at least until we have a better idea as to how significant the shortfall will be.

IV. Management Company Report

Sam reported that she is working closely with Board members on the financial statements, indicating that some members are delinquent and still need to set up their accounts. She is doing community inspections to be sure everyone is complying with the governing documents, i.e. trailers need to be stored out of sight. They are finishing up with the transition process from HOAMCO, updating the member portals, handling member requests and working with individual Board members on various projects.

V. Projects

A. ACC –

Alex reported that he recently inspected and approved the construction of the Baca's home, and requested the return of their construction deposit. The home on Coyote Canyon Trail should be completed soon.

B. Clubhouse Locking System

Eric reported that he is working with TAS Security System on several issues before the Clubhouse can be locked 24/7. TAS will handle the 3 remaining issues on April 14th. Once the system is in operation, members will need to use their key cards. The 2 doors on a key pad system are the back door and swimming pool to spa door.

C. Insurance Renewal

Dave and Eric will have a conference call with our insurance agent soon to review all of our policies which will be renewed on April 9th. We are currently in communication with the underwriter for our liquor liability policy and are considering possible changes to that policy. A number of changes were made last year to our policies, which reduced the cost of our insurance.

D. Landscape Plan for South/North Boundaries

Karen thanked Mel Trudell and Thiel Baca for creating a written landscape plan along the south and north Clubhouse boundaries, which will help to shield activities and sound for the adjacent neighbors. All plants will be planted on NP property, and the HOA will plant and maintain them. Mel will transplant some from other areas and purchase pinyon trees from vendors along Route 66. Board members have walked the property lines and understand the project. It was recommended to plant in stages due to keeping up with watering and impact on our finances.

Karen moved to approve the landscape plan along the south and north property boundaries with some possible plant changes, and to allocate \$500 to get started and continue into the fall as funds are available. Eric seconded, motion passed by unanimous vote. Bill recommended authorizing Mel to move forward with this project.

E. Roof Replacement

Karen reported that on Monday, April 6th, Otero & Sons Roofing will begin replacing the Clubhouse and Maintenance Shop roofs which received hail damage last June. The replacement will be done with commercial grade Carlisle TPO 80 mil. Otero & Sons Roofing are approved Carlisle product installers.

Dave explained that the roof will be fully covered by our insurance with the exception of the \$5,000 deductible. Once the roof is complete we will receive the remainder of the reimbursement from the insurance company. The TPO will be white to help reflect summer heat.

F. Street Signs

Karen reported that 3 years ago File Construction replaced 10 wood street signs around the development with metal posts. We have 13 more street signs that need replacement. File Construction is keeping the price the same at \$765/sign street signs for 13 posts for a total of \$10,800 with Gross Receipts Taxes (GRT). Payment will come from our Reserves. Karen and Mel will drive around the community to confirm the number of posts. Karen move to contract with File Construction to replace 13 street sign with metal posts, seconded by Dave, motion passed by unanimous vote.

G. Weddings

Shawna explained that we cannot have weddings under the current State health mandate. She thanked and Cindy Mantegna, Wedding Committee members, for their efforts in creating the wedding cancellation policy. Brandie McGinnis is doing a great job as Venue Director and

rescheduling weddings in 2020. She is trying to reschedule to keep brides from cancelling. To date only 1 bride and 1 event have been canceled. Brandie has sold 7 weddings and 5 events in 2020 and 10 weddings in 2021 for a total sales of \$143,311.

Shawna reported that Leslie Bueno, Assistant Venue Coordinator, resigned and we have not rehired at this point. Brandie will update the online calendar to reflect the weddings that have been rescheduled.

H. Wedding LLC

Dave reported that he has been working with the HOA CPA to confirm that forming a Wedding LLC would result in a significant tax benefit. While our CPA has advised us that there would be significant tax benefits, the research that Dave has done indicates that the tax savings may not be achievable. Therefore, we will get a second opinion from another CPA after the tax season. Dave recommended that we continue to hold up on having our attorney draft the LLC documents until we can get a second CPA opinion and confirm whether or not the structure does in fact generate significant tax benefits. Karen thanked Dave for his tremendous effort with this project.

VI. Financial Reports

2019 Financial Supplements & GAAP Financial Report

Eric explained that we have HOAMCO's final 2019 Supplement Report, however, there are some issues with the way the GRT and the ACC Planned Review income were reported. Once we receive the 1st quarter financials from Blue Door we will be able to track budget vs actuals.

Dave is working with the HOA CPA to finalize the 2019 GAAP Report and year-end Review which the CPA compiles from the figures submitted by our management company. Either a Financial Review or a full Audit satisfies the requirements of our governing documents. We were able to transfer \$75,000 into Reserves in 2019 because we had significant liquidity. Our CPA initiated a State Managed Audit since HOAMCO did not pay our GRT. This will enable us to pay GRT ~ \$25,000 from December 2017-2019 without interest or late fees. Going forward Blue Door understands how to pay our GRT and report this on our financials.

VII. HOA Annual Meeting

Bill, Chair of the Board Nominating Committee, reported that the HOA Annual Meeting will be held on Sunday, May 3rd at 4 p.m. via webinar. Members interested in running for the Board need to get their Statement of Interest form to Sam by Monday, April 13th. There will be 5 open positions on the Board, 4 positions will be a 2-year term and the member filling Crystal Glen's vacant position will serve a 1-year term, which will be the remainder of that term of office.

VIII. Virtual Happy Hour

Mel Trudell reported on the Virtual Happy Hour for members on Friday, April 3rd at 7 p.m. via WebEx. Chris will handle the online technology of this fun event. Prior to the online event, members need to email 2 truths and 1 lie statements to Mel. Members will have fun communicating with one another during the WebEx.

IX. Member Questions

Linda Butler asked the Board to share Scott Turner's, HOA attorney, email about closing the Clubhouse. The Board agreed to do so. She questioned how contractors could work at the Clubhouse, i.e. roofers. Dave explained that they are under contract and considered an essential business.

Alan Gorenz asked about using the outside activities, which the Board approved. Alan said his daughter is feeding the pond fish on a daily basis. Board members thanked him.

X. Adjournment

Meeting adjourned at 8:00 p.m.