

CCEHA Board Meeting Minutes
March 26, 2014
CCEHA Clubhouse

Call to Order: Bill Carl, President, called the meeting to order at 3:04 p.m.

Present: Bill Carl, President; Dan Welch, Vice President; Gail Root, Treasurer; Janet St.Cyr, Secretary; Cheryl Richardson, Director.

Absent: Phillip Swart, Director ; Joyce Reynolds, Director.

Homeowners present: 23.

Addendum to December 19, 2013 Minutes: Bill asked that Janet read the proposed addendum to December 19, 2013 Board of Directors meeting.

Due to the time constraints involved with filing a Writ of Certiorari with the Supreme Court of New Mexico, an executive session was called for by the then board president on December 5, 2013. At this session, the three options available to the board were discussed at length. It was agreed to advise our attorney to proceed with the writ.

It was recognized that the required filing deadline was December 19, 2013 by 4:00 p.m. and it was acknowledged that there would not be enough time to reschedule the December board meeting to an earlier date and still allow the attorney enough time to prepare the writ.

The December 19, 2013 board meeting discussion of the legal proceedings/writ should have reflected the board's executive session held on December 5, 2013 and recorded in the December 19, 2013 minutes. This omission was an honest oversight by the board.

Moved by Dan Welch/Seconded by Cheryl Richardson that the above be amended to the December 19, 2013 Board meeting minutes. Motion carried.

Changes to Published Agenda: Litigation update to be moved from New Business to Unfinished Business.

Approval of Previous Meeting Minutes: *Moved by Gail/Seconded by Dan to approve February 19, 2014 Minutes. Motion carried.*

Unfinished Business from last meeting:

- AED device for clubhouse: No report.

- Board liaisons to committees: The following Board members have volunteered to be committee liaisons: Cheryl – Facilities Committee; Dan – Bylaws; Janet – Newsletter; Gail – Welcoming.

- Policies & Procedures: Cheryl has worked with Facilities Committee to create P&P's as guidelines for committee functioning. Bill asked that other committees work on their P&P's and submit for Board review within the next three months.

- New Renter Documents: Janet suggested that more clarity is needed in conveying to homeowners who rent their property that it is their responsibility to notify renter(s) of CCEHA's covenants and restrictions which are available either through the website or on disk. Gail indicated that if a potential renter is under age 55, a request from the homeowner must be presented to the board. Welcoming Committee, through their monthly report, conveys to the board new residents who are either over or under age 55. Cheryl will notify local realtors to remind them of the need for new homeowners to receive CC&R's.

- Krupnick Law Firm for HOA Business: Bill reported that he spoke with Lynn Krupnick who would provide non-litigation legal services to CCEHA on a piecemeal basis; no contract is required. *Moved by Gail/Seconded by Cheryl that we agree to utilize Lynn Krupnick on a piecemeal basis for non-litigation legal matters at \$250/hour, billed in 6 minute increments. Motion carried.*

- Electronic files: Janet reported that work is in progress to convey all current homeowner information to ACG in Exel for them to maintain said files. She is also entering all forms, e.g. clubhouse agreements, exterior changes applications, requests for information, etc. into electronic files and be properly dated.

Litigation Update: Bill reported that our consulting attorney, Helen Bennett, received a letter from Mr. Tunis, et al's attorney, Michael Stell, with a settlement demand in the amount of \$54,899.38; the offer remaining open only until March 24, 2013. Ms. Bennett referred us to a Mr. Cervantes in Las Cruces and forwarded to him the background on this case. Mr. Cervantes advised us that our response may be made from among three options.

- Option 1: Not accept the offer and send a letter thanking Mr. Stell, but indicate that we will wait until the Appellate Court has sent the case back to Luna County District Court.
- Option 2: Make a counter offer
- Option 3: Accept the offer and pay the demand in the amount of \$54,899.38

Moved by Bill/Seconded by Dan that the Board review the options and then vote among the options.

Discussion ensued. President and board members each had received many comments from homeowners. Bill called for a vote. Dan suggested we vote on each option individually.

- Option 1: Wait 2 Yes; 3 No.
- Option 2: Counter Offer 2 Yes; 3 No.
- Option 3: Meet the Demand 1 Yes; 4 No.

Further discussion followed during which Bill thought it wise to agree on a proposed counter offer if Option 2 is the will of the Board. Gail suggested a two-part vote: first as to whether we would counter offer or wait. And then, if necessary, vote again on Option 1 or 2.

Dan felt that we were at a stale mate and perhaps we should wait for absent board members and then vote again. Cheryl indicated that since we have no guarantee of receiving appropriate documentation and accounting of the Full Demand sum (Mr. Cervantes having informed the board that we can ask for an accounting, but a judge is not required to grant that request), that it would be better to wait until the case is returned to District Court.

Regarding Option 1, Gail reminded us there is no urgency to this; Mr. Cervantes having also informed the board that the expiration date in Mr. Stell's letter means nothing with regard to any counter offer (Option 2) or waiting (Option 1). Because there is no urgency and we don't have all board members present, we're at an impasse. *Moved by Gail that we postpone the decision until the next regularly scheduled board meeting.*

Motion died for lack of Second.

Bill stated that as a courtesy we should respond to Mr. Stell and will ask Mr. Cervantes to draft such a letter. Dan suggested that by saying no to full offer, implies that we either counter or wait for the courts. Bill agreed that we need to vote again, this time on the remaining two options and called for the vote.

- Option 1: Wait 4 Yes; 1 Abstain.
- Option 2: Counter Offer 0 Yes; 5 No.

New Business:

HUD Report: Dan Welch reported that we are currently at 94.55% homes occupied with at least one person over age 55 which is well above the 88% we are trying to maintain. Full report attached to minutes.

Committee Reports:

Welcome – No report.

Facilities – Jim Richardson reported that the committee has completed several projects. Full report attached to minutes.

Architectural –Chuck Whitaker reported that Architectural committee continues to receive complaints from homeowners, three of which have been satisfied. The fourth complaint Chuck discovered re: illegal parking. He plans to speak with that homeowner this week. In addition many complaints have been received about the need for yard cleanup at one address. That individual was contacted several times; some progress has occurred and homeowner assures committee that cleanup will be completed within the next week.

Rick Molitor reported that the committee has received three requests. One from the Facilities Committee to erect the pergola. A request from Betty McMahan at 2412 Play Thru to remove several pine trees due to overcrowding. And a request from Robert & Joanne Donahue at 2424 Fairway to erect a flagpole. All requests were approved.

Newsletter – Janet reported that the March newsletter has been published; copies have been mailed to non-internet users; a copy is in the clubhouse binder and it is available for viewing on the website.

Activities – Currently there is no chairperson of the committee. Janet reported that the four persons on the committee met and have sketched out several activities for the year. April 5 (Saturday) is the CCEHA community garage sale from 8:00 a.m. to Noon; May 11 (Sunday) Mother’s Day Ice Cream Social, 3:00 p.m. at the clubhouse. First Fridays of each month residents continue to enjoy Happy Hour – Happy Talk, 9:00 – 10:00 a.m. at the clubhouse.

Website – No Report. Dawna Diltz is currently gathering information for April Website calendar.

Treasurer’s Report: Gail reported that everyone is on budget. Gail and ACG are in the process of working out the means by which P&L and Balance Sheet will be generated through ACG with necessary input from Gail. Currently the balance at Pacific Premier Bank is \$23,011.07 – all from Assoc. fees.

Regarding delinquencies, we currently have 17 homeowners who are delinquent on their assessments; and each has had a \$1.25 fee added. Those 17 homeowners owe a total of \$2,571.25. Twelve other homeowners are delinquent for the fee of \$1.25 since when they did pay their assessment they chose not to pay the \$1.25 fee, for a total of \$15. We are not going to forgive those fees. Those who owe the \$1.25 are required to pay that fee. In those cases where homeowners made an honest attempt to send their fees in by the February 25th deadline, ACG has removed those delinquent fees.

ACG’s management fee of \$275 has been refunded for the month of January and will be reflected in next month’s financial reports.

Going forward, all reimbursement requests will be forwarded to ACG; they will cut reimbursement checks. In the case of committee expenses, all committee reimbursement requests must be signed by the chairperson and Treasurer.

Regarding Chamber of Commerce membership, *Moved by Gail/Seconded by Janet that we not renew CCEHA’s \$50.00 membership in the Luna County Chamber of Commerce. Motion carried.*

Moved by Gail/Seconded by Cheryl that the local portion of February 2014 P&L and Balance Sheet be accepted as presented. Motion carried.

President’s Items:

- Going forward CCEHA will need to add a “bad debt” line item (approximately 2%) into our budget.
- Action Regarding Delinquent Homeowners: Discussion held on this issue with no resolution.
- Status of Reserve Study: Dan reported that due to the NM HOA law enacted in 2013 HOA’s are required to conduct a reserve study. He has researched costs related to this requirement and suggests that a do-it-yourself approach through Association Reserves is both thorough and affordable. *Moved by Dan/Seconded*

by Bill to utilize Association Reserves' reserve study kit at a cost of \$350 to meet this requirement in NM SB-497 HOA Act. Motion carried.

- Ten Year Statute on Voting: In response to one homeowner's several e-mails regarding whether Grantor is or is not liable for assessment fees on lots owned, Bill has researched the question and wishes the following read into the minutes:

Based on my review of available records, the Sixth Judicial District Court on May 29, 2008 confirmed and upheld the Arbitration Order and decision of the Architectural committee decision and order dated December 24, 2007.

Said order indicated: "The restrictions expressly exempt the Grantor from liability for the payment of any assessments."

I was unable to locate any other documentation or court order which counters the Sixth Judicial District Court's decision.

Therefore, my recommendation is that the Board will recognize the court's decision of May 29, 2008 and the Grantor is not liable for assessments owned.

Dan pointed to CC&R's article 31 page 12 under "further provided"

"Although grantors may contribute to the maintenance of the recreational and common areas, it is understood that Grantors are not and shall not be held liable for the payment of any assessment provided for in the master declaration by virtue of its ownership of lots within Country Club Estates and that Grantor's failure to pay said assessments shall not give rise to any right of imposing any lien or encumbrance on any lots owned by Grantors as security for payment on said assessments."

- National Volunteer Week: Bill asked that Board liaisons to committees avail themselves of thank you cards provided to convey our gratitude to committee members for their volunteer efforts.
- Moving Forward Sessions: Bill reminded the Board that on the 2nd Tuesday each month at 10:00 in the clubhouse he will invite homeowners to Moving Forward sessions and asks that at least one Board member be present at each one.

Next meeting: Next CCEHA Board meeting is scheduled for Wednesday, April 23, 2014 at 3:00 p.m., with open forum beginning at 2:45 p.m. at the Clubhouse.

Adjournment: Meeting adjourned by acclimation at 4:55 pm.

Respectfully Submitted,

Janet St-Cyr

CCEHA Secretary

HUD 80% Occupancy Report Summary*
3/26/2014

Number of Homes Built:	171	
Number of Occupied Homes:	165	
Homes Occupied with at Least One Over 55:	156	94.55%
Homes Occupied with No One Over 55:	9	5.45%
Number of Rentals Included in this Summary:	18	
Number of Vacant Homes NOT Included in this Summary**:	6	
Owned Lots w/o Homes NOT Included in this Summary:	9	

*CCEHA Board of Directors in April 2011 voted to use 88% as the optimum occupancy figure.

**HUD states that a home is considered vacant when the owner has not occupied the residence at anytime during the preceding year or has moved out and put the home up for sale. HUD does not consider vacant (unoccupied) homes as part of the over/under 55 requirement. As such, they are NOT considered in this Summary.

Country Club Estates Facility Committee
Meeting Minutes

March 19, 2014

Present: Cheryl Richardson, Dan Welch, Jim Richardson

Next meeting: April 16, 2014 2:00 pm

I. Announcements

The Desert Walk pergola was built this month.

Dennis Grier, Dan Welch, Cheryl Richardson Linda Anderson helped to put the pergola together. We had drop in supervision by several Association members.

II. Projects completed

- 1). Club house supplies have been topped off. If anyone sees that we are running short of supplies, just email one of us and will get around to getting new supplies.
- 2). Light bulbs were replaced.
- 3). Entrance way garden areas were cleaned up.

III. Future Projects

- 1). we are now looking into replacing the entrance way wooden signs with a carved flagstone. We are checking on prices and so far found that carving one side of a stone we present will only cost about \$80.00. Now we need to find the stone.
- 2). Depending on how much money we have left in our budget by the middle of the year, we are tossing around the idea of asking the people that painted the mural on the back wall to consider putting their talent, and our supplies, into touching it up or painting a new design up.

3:09 PM
03/23/14
Cash Basis

C.C.E.H.A.
Balance Sheet
As of February 28, 2014

	Feb 28, 14
ASSETS	
Current Assets	
Checking/Savings	
First New Mexico Bank	10,909.97
FNMB - Reserve	63,074.30
Total Checking/Savings	73,984.27
Accounts Receivable	
Accounts Receivable	-750.00
Total Accounts Receivable	-750.00
Other Current Assets	
Undeposited Funds	150.00
Total Other Current Assets	150.00
Total Current Assets	73,384.27
Fixed Assets	
Club House	47,900.00
Land	36,386.00
Total Fixed Assets	84,286.00
TOTAL ASSETS	157,670.27
LIABILITIES & EQUITY	
Equity	
Opening Bal Equity	89,611.03
Retained Earnings	69,659.28
Net Income	-1,600.04
Total Equity	157,670.27
TOTAL LIABILITIES & EQUITY	157,670.27

C.C.E.H.A.
Profit & Loss Budget Performance
February 2014

	Feb 14	Budget	Jan - Feb 14	YTD Budget	Annual Budget
Ordinary Income/Expense					
Income					
Annual Assessments					
Annual Assessments	150.00		150.00		
Total Annual Assessments	150.00		150.00		
Transfer Fees	0.00		600.00		
Total Income	150.00		750.00		
Gross Profit	150.00		750.00		
Expense					
Association Expenses					
Accounting & Bookkeeping	322.50		322.50		
Office Supplies	60.92		60.92		
Supplies					
Supplies & Mailings	40.20		250.20		
Total Supplies	40.20		250.20		
Taxes					
Income Tax	43.00		43.00		
Taxes - Other	62.00		62.00		
Total Taxes	105.00		105.00		
Utilities					
Electricity	54.98		90.46		
Telephone	56.58		113.16		
Water & Gas	52.26		98.45		
Total Utilities	163.82		302.07		
Total Association Expenses	692.44		1,040.69		
Committee Expenses					
Election Committee					
Election Committee - Other	-25.00		-25.00		
Total Election Committee	-25.00		-25.00		
Facilities Committee					
Clubhouse Cleaning	364.73		464.73		
Grounds & Landscaping	859.42		859.42		
Repairs and Maintenance	0.00		10.20		
Total Facilities Committee	1,224.15		1,334.35		
Total Committee Expenses	1,199.15		1,309.35		
Total Expense	1,891.59		2,350.04		
Net Ordinary Income	-1,741.59		-1,600.04		
Net Income	-1,741.59	0.00	-1,600.04	0.00	0.00