

# **LOS CAMINITOS HOMEOWNERS ASSOCIATION**

## **ANNUAL MEETING OF MEMBERS**

August 18, 2018

At 2:00 p.m. on August 18, 2018, the Annual Meeting of the Members of the Los Caminitos Homeowners Association (the “Association”) commenced at the Association clubhouse. At least 50 lots were represented either in person or by proxy, constituting a majority of the total voting power of the Association, and thus a quorum was present. Financial information for the current and ensuing fiscal year was distributed.

William Scheer, the President of the Association, called the meeting to order and welcomed all of the Members present. William introduced the directors present, including Rob Sutphin who was recently elected to fill a vacancy created by the resignation of Gary Grossman following his decision to put his house on the market. William expressed the appreciation of the Association, the Board and himself for the many years of service Gary had dedicated to the community.

William gave a brief overview of the past year, noting the completion of installation of the hybrid wireless/fiber system, the general sense of satisfaction with the results, appreciation for the efforts of Greg Davis and others in support of the project, the replacement of the problematic cattle guard on Calle Encanto, and the repairs to the clubhouse following wind damage. William also reminded Members that the second \$500 per lot special assessment is now due and also that the Association would make available to those owners who had not authorized Chaparral to install a “drop” to connect their houses to the system a credit of up to \$1,178 for such purpose at such time as those owners connected to the system.

Agenda Item 1. As the first order of business, the President reported that the minutes of the prior year’s Annual Meeting of Members had been posted on the Association website and asked if there were any corrections thereto. There being none, upon motion duly made David Neunuebel and seconded by Jerry Hotchkiss, the following resolution was approved by acclamation:

RESOLVED, that the minutes of the Annual Meeting of Members held on August 19, 2017 are hereby approved.

Agenda Item 2. As the next order of business, the following committee reports were given:

(a) Connectivity Committee. Greg Davis gave a brief report on the hybrid wireless and fiber system installed by Chaparral and Cyber Mesa and completed slightly under the budget approved at last year’s Annual Meeting of Members. The sense is that people are satisfied with the construction process and the high speed internet service. He reported that 44 houses were presently signed up with Cyber Mesa to receive service. Greg also mentioned that he understood some real estate agents have indicated that Los Caminitos resale values have been positively affected by the new high speed internet capability.

(b) Architectural Control Committee. Patrick Woerhle briefly summarized the activities of the ACC during the year, noting that there were a number of pet enclosure projects. There had been no major construction projects considered by the Committee although a proposal for a new guest house had been recently received.

(c) Parks and Pool Committee. William Scheer reported on behalf of Eva Neuhauser. It was noted that, for cost savings purposes, there were no new major initiatives planned for the up-coming year in addition to regular maintenance, although unexpected needs could arise (such as this past year's wind damage at the clubhouse).

(d) Roads Committee. Dennis Clements reported that, in addition to replacement of the deteriorating cattle guard crossing on Calle Encanto, the annual road maintenance work proceeded in the Spring applying a custom blended additive developed by the Association's supplier as in the prior years. The additive has resulted in the community roads holding up remarkably well over the years. There is general satisfaction with the work done this year by Cannon Paving, following the retirement of the Association's long-time contractor, Larry Wilson. Historically, the annual roadwork has been the single largest item in the Association's budget. Dennis noted that capital improvements like the road system and the high speed internet system, and related maintenance, are necessary for the community's value and attractiveness. He suggested that Members should be thinking of any other capital improvements that might be considered.

(e) Covenants Committee. Doug Eyberg reported on the Covenants Committee which was established by the Board to review and propose changes to the Association's governing documents. The anticipated process, which is in its early stages, would include solicitation of Members for suggestions, approval of the committee's proposed changes by the Board, and presentation of the Board's approved changes to the Members for consideration and approval at next year's Annual Meeting of Members. There was discussion of the scope of the project, applicability of a solar facility statute and the necessity for review by New Mexico counsel.

Agenda Item 3. As the next order of business, Roger Asel, Treasurer of the Association, referred the Members to the distributed financial information showing actual revenue and expenses through August 13, 2018, for the fiscal year ending August 31, 2018, and proposed budgeted revenues and expenses for the fiscal year ending August 31, 2019. For fiscal year 2018, budgeted revenue was \$191,600 against actual revenue received of \$191,437. For fiscal year 2019 budgetary purposes, proposed budgeted revenue is \$189,815 (including \$39,000 of supplemental lot assessments related to the connectivity project). For fiscal year 2018, budgeted total expenses (ordinary and nonrecurring) were \$291,450 against actual total expenses (ordinary and nonrecurring) of \$278,102. For fiscal year 2019 budgetary purposes, budgeted total expenses are \$126,735. As of August 13, 2018, the Association had \$51,439 in its operating account and \$39,003 of reserve funds held in a certificate of deposit and savings account, for total funds of \$90,442. Based on the proposed annual budget, the annual dues per lot will continue to be \$1,800 for fiscal year 2019 and there is the remaining second (and final) supplemental assessment per lot of \$500 for the connectivity project. Roger reported that all but a nominal amount of the clubhouse wind damage repair costs had been recovered from insurance, Parks & Pool and Entrance expenditures were "net-net" on budget, Road expense

was approximately \$11,000 under budget since last year's budget planned for the possibility of greater expense due to the on-going connectivity project work, and the connectivity project was approximately \$10,000 under budget. The proposed budget anticipates rebuilding Association reserves to approximately \$150,000. Reserves have historically served as a backup to the regular budget for contingency items and capital expenditures. Questions were raised and responded to by Roger. Thereafter, on motion duly made by David Neunuebel and seconded by Steve Schwartz, the following resolution was approved by acclamation:

RESOLVED, that the financial report of the Association for fiscal year 2018 and the budget for fiscal year 2019 are hereby approved.

Agenda Item 4. William Scheer reminded Members that there were three vacancies on the Board of Directors, that the following three Directors had indicated an interest in continuing to serve as a Director: Dennis Clements, Doug Eyberg and Patrick Woerhle, and that no other expressions of interest in serving as a Director had been received from the members. Accordingly, on motion duly made by Brad Burnside and seconded, the following resolution was approved by acclamation:

RESOLVED, that Dennis Clements, Doug Eyberg and Patrick Woerhle are elected to serve as Directors of the Association for three year terms.

Concluding Remarks. William thanked the Members for attending and reminded everyone that, after the testing work done by PNM earlier in the year, PNM would be on-site from time to time for follow-up activities. It is hoped that PNM's efforts will improve the community's experience with electric shortages.

As the final discussion item, William noted again the success of the connectivity project and the annual road maintenance project and the importance of capital improvements in maintaining and improving the community's attractiveness and values. He invited Members to feel free to make suggestions of any other capital improvements that should be considered. Members offered up several ideas and there was brief discussion. William encouraged Members to contact Directors with any ideas in the future.

There being no further business to come before the meeting, upon motion duly made and seconded, the meeting was adjourned.

Respectfully submitted,

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Douglas K. Eyberg, Secretary