

DEERWOOD PARK HOMEOWNERS ASSOCIATION

OCTOBER 20, 2018 MINUTES

HOA BOARD MEMBERS PRESENT

Terry Morton, President
Wayne Saxon, Vice President
Mary Prados, Treasurer
Maria Trujillo, Secretary
Vivien Valdes-Fauli, At Large

Meeting was called to order at 11:45 a.m. by Terry Morton, President.
A quorum of homeowners and board members were in attendance or by proxy.
Terry Morton, president, read a summary of the year's activities (attached)

FINANCIAL REPORT

Financial report was given by Mary Prados, Treasurer. Copies of the 12/31/17 and the 9/30/18 operating budget handouts were available to homeowners. This information will also be posted at our HOA Website at: www.deerwoodparkhoa@deerwoodparkhoa.com
Mary shared that having changed the P.O. Box to a permanent centralize location as well as hiring an accounting firm for the HOA financials was a fruitful and positive decision. Eliminating the confusion and mishandling of information from board to board.
A bank balance as of September 30, 2018 is \$18,837.46 which may not include pending transactions. We received new checks that will bring the account balance up to approximately \$21,000.00. A lien has been filed against properties with outstanding dues and process of foreclosure will soon follow.

MAINTENANCE

A "Maintenance Handout" was submitted by Wayne Saxon, Vice President, providing all work accomplished this year. (see attached)

Mr. Saxon further reported that due to the heavy rains experienced this year in the mountains, road maintenance has been a costly and an ongoing operation. Some roads will continue to be repaired as required in the near future.

Maintenance challenges for the October 2018 to October 2019 were discussed and they include:

- Anticipated more snow removal
- More drainage repairs (adding culverts)

- Gravel more roads as needed
- Anticipate more road grading
- Ongoing fence repair
- Chapel door repair
- Installation of common area signs

COMMUNICATION

Maria Trujillo, secretary, reported that most homeowner contact has been restored. Periodically a communication will be sent out asking for updates. Communication will be by email except those requiring US mail delivery.

October Fest activities were discussed and a handout provided owners with a schedule of events.

Event helpers and Sponsors were recognized. Special thanks to Luis Macias, Judi Morton, Lana Saxon, Robin Rector, Jeff Rector, Nadia Acosta, Jesus Trujillo, Terry Morton, Wayne Saxon and Jerry Guardarrama for all their support and hard work to have a successful October Fest.

Volunteer Piney Creek Fire Department chief Adams was asked to give a brief presentation introducing his department services and needs. Thank you chief Adams!

SPECIAL ISSUES

Terry Morton stated that usually this time of year we have approximately \$40,000.00 available in the bank to take us thru May. This year we have around \$20,000.00 due to the fact we had to enter into a court case which so far has drawn about \$8,000 from our available funds.

We also had \$8,000 to \$9,000 extra this year in road maintenance due to heavy rain and poor roads condition. Roads are in the process of properly upgrading to prevent further destruction. We are very pleased with the work but we still have ways to go and will need more funds to complete the job.

There is a budget shortfall of about \$10,000.00 this year due to non- payment of dues. We have potential 33 liens we are working on. We already recorded 8 and are starting to get some income from those. We have approximately 18 that if we don't get payment we will process as well. It cost us approximately \$7 to record a lien. We do all the paper work and go to register of deeds to record the liens. If we do it thru our attorney it will cost us \$50 to \$100 per lien.

The Board is still struggling with \$30,000 debt we have from past dues that haven't been recorded. We are very serious about getting that money. We have to put a lien against the lots because what we are seeing is people are selling without us knowing about it and then we lose the money they owed.

Laws have changed and HOAs can now process liens just like a bank. Your Board is going after the people that have not paid. If and when we go to court, the law allows us to recover all of the legal costs.

If we get our money from our liens, foreclosures and court case we would still be carrying that long term debt. This is hurting us in a couple of ways

1. When we need to fix roads properly we don't have funds.
2. We have no contingency funds for the board to work with.

The HOA had one special assessment in 2016 when the Enclave was completely washed out. No dues increases have been implemented since the HOA was established in 2008.

The board feels that if we can do a special assessment of about \$125 per lot we can carry thru May of 2019. If we get our money from the lien process and the court recovery we'll be able to establish with the special assessment a little bit of contingency fund. Or we can raise the dues \$50 or more per lot.

Terry Morton opened the floor to get feed back from homeowners as to what they would like the Board to do.

Mrs. Boyd, new to the community,,was concerned there were some foreclosure around her area and wondered if the HOA Board had filed them.

Terry Morton clarified The HOA has not file any foreclosures at this time. However, we are in the process of doing so. Foreclosures cost about \$600 to \$800 plus attorney's fees. The advantage the HOA would have to file a foreclosure is to be able to keep the property or sale the property and recuperate the maintenance fees. If the bank forecloses, the HOA gets nothing.

Donna Lingafelt was concerned that we had homeowner's with past due fees for over ten years? Why had no one done anything in the past to correct the past dues and bring up to date.

Board: We have no control of what occurred in the past boards. That is why we have established a centralize system. One P.O. Box that will remain constant and one professional Accounting firm that will remain the same regardless of new boards to come.

Jerry Guardarrama interjected and shared his experience as a past board member. He was asked to help when all of the previous board members quit. He served as treasurer at the time and found himself in a bind. He had two choices lien or foreclose. He said that serving on the board was difficult because you get a lot of grief. After serving for a year he didn't want to be part of it again. Unfortunately, no one wants to volunteer and usually the same people keep complaining. Why not step up and be part of the Board. This is your community so step up and get involved.

Freddie Fernandez shared that our HOA fees are ridiculously low. He stated we should look at our long term sustainability and long term liability. He feels we should raise HOA dues and have the special assessment, both. We can't run on budget today the same we did 10 years ago.

MOTION: Jerry placed a motion that we implement a special assessment of \$125 per lot, payable on the first of November due by the 30th of November.
Motion seconded by Freddie Fernandez. Voted and passed unanimously.

MOTION: Freddie Fernandez made a motion to direct the Board to start researching the need for dues increase and come back with a recommendation in the meeting next October.
Motion seconded by Rafael Robayna. Voted and passed.

Terry Morton discussed the legal issues involving the owner of lot #9 in the Enclave who refused to comply with the HOA restrictions. This is an issue that has been ongoing since 2014.

An injunction was placed by the court restricting the owner from any further work on the land until the next scheduled hearing. Soon after, the owner removed everything and quickly deeded the property to a friend or family for \$0.00 to avoid the legal fees.

The final ruling and judgement will take place on October 30, 2018. We are quite confident we will win the case and all our legal fees will be reinstated. However, there is no guarantee this individual will have the money to repay the HOA. Legal fees so far is in the \$8,000.

Proposed Amendment Change to the Declaration of Restrictions to read as follows:(attached)
We need at least 95 signatures to implement this change.

MOTION: Terry Morton made a motion that we agree with the Declaration of Restrictions change as worded in item #1 of the HOA Declaration of Restrictions. Maintain signature process open until we obtain votes needed to implement the change.
Motion seconded by Jerry Guardarrama. Voted and passed unanimously.

QUESTIONS AND ANSWERS

Donna Lingafelt expressed her concerns about the speed violation and vehicles without license tags zooming by her place. She has agreed to submit pictures. Issue will be addressed accordingly.

BOARD MEMBERS 2018/2019

**PRESIDENT: TERRY MORTON
VICE PRESIDENT: WAYNE SAXON
TREASURER: MARY PRADOS
SECRETARY: MARIA TRUJILLO
AT LARGE: VIVIEN VALDES-FAULI**

Motion to Adjourn by Terry Morton.

Motion seconded by Jerry Guardarrama. Voted and passed.

Meeting Adjourned at 1:15 p.m.

Minutes submitted by: Maria Trujillo, HOA Secretary

