

Country Club Estates Homeowners Association
Annual Meeting

Saturday, January 23, 2010, 9AM to 12:03 PM

Deming Senior Center

Meeting Minutes are Draft until approved at next annual meeting

The 2010 Annual CCEHA meeting was called to order at 9:00 a.m. by Kathleen Elmore. Pamela Gulbrandson, Secretary for CCEHA gave the attendance report. A total representing 185 were present – consisting of Homeowners, Developer and Proxies which represents a quorum. The annual meeting could continue as planned.

Kathleen Elmore, the outgoing president gave a message to the community:
I want you to know that it has been my honor and pleasure to serve as your president for the past two years. I wanted to take just a moment to thank the people who I have worked with during these two years. Thank you -Homeowners who have worked on the board and on the committees and all the volunteers who show up at the work parties. There are many people who work behind the scenes that we do not see and sometimes take for granted, bulletin boards that are posted, website that is updated, monthly calendars that are created, a four page newsletter with photographs, the clubhouse for our activities, and new lighting projects. As I review projects, this list is extensive. We also enjoyed the social activities and field trips planned by the activities committee. Remembering the laughter shared by all. The suggested excursions and parties for 2010 will have us experiencing and enjoying a number of new and exciting outings. As I reviewed the minutes from these years, it appears that much of our volunteer time was spent pulling weeds in the alleys, and on the land surrounding the bocce ball court. Although today, I welcome the warm weather with the opportunity to weed the yard. 2010 will be filled with the opportunities to make new friends, while working to enhance this community - our home. Take advantage of it - you'll share laughter and have fun. Thank you.

Fred Paul went on record of stating that this is a membership meeting and that he feels the board is setting the agenda. He wants to state that he thinks items from the membership should be on there. Kathleen responded that after we finish with the committee report outs and the old business he may request new business items to be placed on the agenda.

Approval of the 2009 Annual Membership Meeting Minutes – Chuck Whitaker made a motion to accept the minutes as written and published. Robert Hurley seconded the motion. No opposed, no abstentions, all voted to approve. Motion carried.

Committee Report Outs for 2009 –

Activities Committee – Pamela Gulbrandson shared information about all of the parties and activities that we had in 2009. She indicated that we have many good things planned for 2010 and hopes for continued community involvement.

Architectural Committee – Bruce Fletcher indicated that they had 16 requests for property improvements, painting doors, houses, gates, laying cement, flag poles, etc. All were approved. There were other incidents with things like weeds and other items. All were resolved successfully. One member during the year resigned from the committee, Bonnie Rosenquist. Frank Blank volunteered and was accepted.

By Laws Committee – Pam Fletcher stated there was nothing to report since they stopped actions when the lawsuit came about. So no money was spent. Fred Paul wanted to know why after 2 years more progress hasn't been made. Pam explained that these by laws need to "fit" within the federal and state laws. In 2010, she said that they could present what they have, but they do not want to spend money at this time.

Community Improvement Committee – Debbie Gwin is on the community, and she shared that she has been working with the mayor about the Rails to Trails project along Country Club Road. This will be extended from Raymond Reed to Dona Ana. There is more to it than just laying concrete. There are issues with drainage, and squaring up Florida and Raymond Reed streets. The grant money is here from the state. Hopefully in the near future there will be a safer place for us to walk. No report out on within the CCE community.

Emergency Contact Committee – Leighanne Wagner and Cheryl Fontane explained that this is strictly voluntary for members. There is a form to fill out with your emergency contact information and this is kept confidential by the committee. It has come in valuable in the past when someone died and she could give the emergency responders the contact information. If either she or Leighanne is out of town the president knows where the binder is.

Facilities Management Committee – Dennis Grier reported out that the roof at the clubhouse is leaking by evidence with staining and dripping from the inside ceiling. He has gone on the roof and can not see anything. He had a roofer about a month ago look at it and was told it is good for another 2 years. It started leaking inside within the month. This needs to be taken care of soon. There isn't a budget item since it just came up. He also brought up the subject that is on the budget for replacing the swamp cooler and heater with an air co/heater combo. There was some discussion about this. He also mentioned that painting on the outside may be needed as it is fading and the top rim looks tacky. Bob Nelson thought that 2 years ago \$5000 was approved in the budget to paint and repair the clubhouse. No one can find that in the past 2 budgets. Fred Paul says according to Jennifer DeLaney the association has an obligation to maintain the clubhouse.

Newsletter Committee – Betty Buman reported out that there were 4 publications of the newsletter. Three had 4 pages and one with 6 pages. They came in under budget and plan to stay the same in 2010 with a 4 page newsletter. The members thanked the newsletter committee for an excellent job.

Webmaster – Dawna Diltz was ill so Pamela Gulbrandson read her report. Web is current with activities, minutes and newsletter. We are at 92% of our disk capacity and this leaves us with enough for only 2-3 months. She wants to get on a future board meeting to discuss possibilities of archiving data to thumb drive/DVD or change service providers that offer more storage at competitive rates.

Welcome Committee – Lorraine Sanborn read a report from herself and Helen Steffan Taute. They visited 16 homes (5 new homes, 9 resale and 2 rentals) and welcomed 29

new homeowners/residents to our community since April 2009. She read the names and asked the ones in attendance to stand up.

Yearbook Committee – Phil Swart was absent so Kathleen Elmore reported out that this committee was tabled in 2009 due to the lawsuit and monies. This is still a committee for 2010.

Old Business –

Developer's Report – Jim Reedy thanked Kathleen Elmore for 2 years as president. He shared that lot sales were down and that this is to be expected. They are hanging in there. They have 2 more starts. There are more re-sales at this point. This isn't really out of the norm. They are getting a fair amount of online requests for information, but people can't sell their houses where they live now, so not many new leads yet.

He then addressed the topic of his offer to develop an RV storage lot just north of the community off of Country Club Road. He has had 4 people respond that they would use it. He wanted to know if there was a reason. Suggestions might be that there is a lot of availability for this type of storage, which includes enclosed and covered. Some said it might be security issues. Jim said he indicated that he would provide lighting, cameras and security. There was comparison to other businesses. The end result was that more folks (7) indicated that they would consider it.

Jim indicated that they have an open door policy at their office and encouraged people to come and talk with JR Builders and thereby avoiding issues by just talking.

He shared that they have become certified green builders. He is awaiting all of the results since he built his new office with this concept. He explained what green building is. His current rating is 58 versus the 100 for standard homes. He said that before his certification the homes he has built are around 78.

Barbara Reedy added that the new model/office has art work from several artists/photographers displayed. We have talent in this community! The local artists are: Lyn Orona, Jean Roosenberg, Dick Hayhurst, and Ron Wolfe.

Legal Issues – Kathleen Elmore asked if anyone had questions about the lawsuit. Members are concerned about the monies that this is costing. There was some discussion about the lawsuit that was ruled on and closed in the spring of 2009. Fred Paul is concerned about why monies aren't being spent on improvements versus the legal fees. There was some misunderstanding about why the monies in the budget have been moved around to cover legal fees. Discussion became a bit heated and Kathleen asked for order and for the meeting to remain civil. She reminded the membership that there was a special membership meeting in July that gained agreement to changing and using the Fidelity Funds IF needed. Don Underwood asked for this to be resolved. He questioned why we aren't paying the legal fees. Bob Nelson asked what names were on this most recent suit as he thought it was the board by name. Ron Wolfe clarified that the board isn't being sued but the CCEHA community is and the board has not initiated any suits and that on behalf of the community they are trying to defend the community. Pam Fletcher gave some background on how the first lawsuit got filed and ruled on. Then there was another one filed against CCEHA in July 2009 with billings from the Texas attorney and Threat that the 5 people have enlisted as their attorney. The recent court action on Nov 24th asked for dismissal. Members present asked the 5 people that are

suing the community to withdraw their suit. The discussion finished with Kathleen ending the discussion because the items being said could impinge on the lawsuit for both sides and we don't want to distort anything.

Treasurer's Report – Bruce Fletcher covered the spending and budgeted amount. The report had estimated income for 2009 of \$34,852 and we actually brought in \$28,095. The rest of the budget everything except the legal came in under budget. Thanks to the committees and everyone the expenses budgeted for were 56,061 and we came in at \$45,371. The line item for legal was \$8492 over budget. He shared the Fidelity account balances - \$32,630.82 as of 12-31-09. The board has NOT used any of these investment funds. The bank balance in First New Mexico Bank is \$15,839.64. There is a few bills still to clear for 2009. Sue Wolfe asked if we take out the legal fees from the budget did we go over the budget. We spent about \$3000 over what we took in. She asked that with this year's budget we keep this in mind to not continue to spend more than we take in. The one time expense was the purchase of the lot next to the clubhouse was about \$18,000. So this is not an issue for this year.

New Business -

Election Results – Debbie Gwin reported on the election results for the open board positions for 2010 – President, Treasurer, and 2 directors. Debbie thanked the committee – Lorraine Sanborn and Pam Fletcher, as well as the “counters and observers”. She gave background on how many possible votes there are for these elections. There are 180 homeowners that vote with one vote and one homeowner that votes with 2. So that is 181 homeowner votes with 118 from Reedy, which gives us a possible 299 votes. This year we had 95 homeowners with the one homeowner with 2 votes so we 96 homeowner votes. With the 118 from Reedy this gave us 214 votes cast. This is a phenomenal turn out and she believes it the most we have had. Out of these 214 votes:

- Ron Wolfe for President received 193 votes
- Phil Swart for Vice President received 193
- Jess Hays for Treasurer received 193
- Jackie Rankin for Director received 194
- Gail Root for Director received 196

Question from the floor – Don Ward asked about the write in candidates. For president there were 7 individual names who received 19 votes. For vice president there were 8 names and 11 votes. For the treasurer there were 10 people that received 15 votes. For one of the director position there were 10 people that received 14 votes and the other director position there were 7 people that received 8 votes. There was quite a disarray of people. On November 17th Debbie sent a note and asked the community to step up to the plate and put their names on the ballots. The 5 people elected did that!

2010 Homeowner's Assessments – Every year the members need to discuss the annual assessment amount. In last year's meeting it was voted to keep it at \$150.00. The bills are ready to be mailed and will be due 30 days from receipt. Pam Fletcher shared that EVERY member paid their dues in 2009. Don Ward made a motion to keep it at \$150.00 for 2010. Bob Nelson and Robert Hurley seconded the motion. Vote was taken – no opposed, no abstentions, all were in favor for this. Motion passed.

Budget Presentation – The ground rules were covered to allow the discussion to proceed orderly. Open discussion began about the budget. There was discussion on some items by line item. All line items remained the same as was sent out to the membership with the exception of what is listed below.

- Line 17 – Association Expenses proposal for \$2000 and approved at \$3000. Pam Fletcher indicated that costs of supplies have been on the rise and motioned for this increase. Dick Hayhurst seconded it. A vote was taken – those that chose to vote – 8 abstained and 38 voted for it. Motion carried.
- Line 18 – By Laws Committee proposal was \$2000 and approved at \$0. Fred Paul suggested that work could continue on these without spending the money on legal review. Pam Fletcher motioned to make this zero. Bob Nelson seconded the motion. A vote was taken – those that chose to vote – 26 opposed the motion and 28 were for the motion. Motion carried.
- Line 19 – Clubhouse cleaning including supplies proposal for \$750 and approved at \$900. Discussion to clarify that the woman we hire for this uses her own cleaning supplies and hasn't had an increase in the past. Bob Nelson made a motion to increase this to \$75 a month (versus the \$50) which makes the total for the year \$900. Debbie Duncan seconded the motion. A vote was taken – those that chose to vote – no opposed, no abstentions, all were in favor. Motion carried.
- Line 20 – Facilities Committee proposal amount of \$4400 was for air conditioning and heater change over. After discussion and following up on Dennis Grier's report out above this amount remained the same, however it is now for inspection of clubhouse roof and needed repair. As well as painting the exterior. Janet Chartier made the motion to move the air co to capital and Don Ward seconded it. The vote was unanimous. The air co/heating item was moved to capital. Gail Root made the motion to change this line item to roof damage repair and painting. Bill Duncan seconded it. Vote was taken and again it was unanimous. Motions carried.
- Line 21 – Grounds and Landscaping proposal amount of \$400 and approved at \$500. Discussion was about the volunteer weed pulling and grounds' cleaning that has taken place and clarification about what Border Pest actually sprays for and where. Thought was that we need more on this line item so that we can possibly hire someone to pull the weeds. Even though some people said doing the weed work wasn't that bad and got us together as neighbors. Bill Duncan made a motion to increase it to \$500 and Marta Jackson seconded it. A vote was taken – those who chose to vote – one abstention and the remainder were in favor. Motion carried.
- Line 35 – Yearbook Committee proposal amount \$3000 and approved at \$0. Yenny van Dinter asked why this line item had so much monies appropriated since it was lower on the potential projects that people voted on. Discussion on the floor was that we already have phone listings and the web. Not sure that with all that is going on with the potential lawsuit outcome we should spend money on this project this year. Pam Fletcher made a motion to make this line item zero and Charlene Le Master seconded it. Vote was taken and it was unanimous. Motion carried.

- The 3 items under Part III “2010 PROJECTS (PRIORITY SET BY QUESTIONNAIRE)” which are: ENTRY BEAUTIFICATION ENHANCEMENTS, COUNTRY CLUB GARDENS, and EXPAND AND FINISH CONCRETE SLAB IN FRONT OF CLUBHOUSE came under discussion and Bob Nelson made a motion to table these items for this budget year due to uncertainty with legal fees costs. Jimm Thomas seconded the motion. Vote was taken and all were in favor. Motion carried.
- The Air Conditioning/Heater item that had been proposed above to move to capital also had a motion from Don Ward to table this. Jackie Rankin seconded it and the vote was taken - no opposed and no abstentions, remaining voted in favor. Motion carried.
- Line 52 – Special Expense Category (cash held in reserve) for \$40,000. No one seemed to be clear where these funds are. Pam Fletcher stated that we do not have any such reserves. The thought was that this is the monies in the bank and the Fidelity Fund. This is NOT over and above that. Bruce Fletcher made a motion to remove this line item. Jackie Rankin seconded it. Vote was taken. One opposed, no abstentions, remaining votes were in favor. Motion carried.

Bob Nelson made a motion to approve the budget as modified in this meeting. Jackie seconded the motion. Vote was taken and all were favor. Motion carried. The total on the proposed budget was \$29,580 and the approved budget total for 2010 is \$24,820; a difference of \$4760.

New Board was seated: Board members for 2010 are Ron Wolfe, President; Phillip Swart, Vice President; Jess Hays, Treasure; Pamela Gulbrandson, Secretary; Yenny van Dinter, Director; Jackie Rankin, Director; and Gail Root, Director. They will have their board meeting directly following this meeting as prescribed in the By Laws.

Adjournment – Bob Nelson made a motion to adjourn. Jackie Loflin seconded it and vote was unanimous. Meeting adjourned at 12:03 p.m.

Respectively Submitted,

Pamela Gulbrandson

CCEHA Secretary