

## Los Cerritos Area Homeowner's Association Board Meeting

12/5/2018

Time: 6:30 pm

Location: Zipperian House

Attendees: Mike Rariden (President and Board Member), Mary Cockburn (Treasurer and Board Member), Tom Zipperian (Board Member), Joan McMorran (Board Member), Shannon Siewert (ACC), TJ Maloy (Road Committee), Lorraine Rariden (note taker)

Board meeting started at 6:50 pm

Very brief discussion occurred regarding possibly posting HOA dues on LCAHA site; no decision was made.

### Old Business:

#### Establish dollar limit for check signatures:

Mary Cockburn (treasurer) stated currently it only requires one signature, if this is modified, approved board meeting minutes will need to be taken to bank. Problem with two signatures, both must be present to sign. Finance committee can help Mary. Mike Rariden (president) asked group if there is enough interest. Joan McMorran asked what the average amount is for writing checks. Tom Zipperian (board member) stated the majority written are in the \$100 range. Tom stated he was uncomfortable writing checks to himself and it can happen frequently for things like ink cartridges, etc. There is a perception and a risk as a non-profit organization; we are under scrutiny. Mike confirmed the Finance Committee would establish rules and add audit capability. Mary added saying the Finance Committee would provide oversight. Tom stated forming a Finance Committee is a great idea. With the board all in agreement, Mary made the following motion: Any check written on the association account over \$1000 must have two authorized signatures on account. A follow-up visit with the bank will be required. Shannon seconded the motion. The board voted unanimous. **ACTION ITEM.**

#### Conflict of Interest (COI)/Disclosure Forms:

Mike mentioned not everyone has signed the forms. During the meeting the following forms were received: Joan, Shannon and TJ. Tom stated it is a point of fact; the IRS requires the forms in order to maintain our non-profit status. COI doesn't not mean something is wrong.

#### Future legal work:

Mary updated the board stating there are currently two lots with liens accessed; with one of those having more than one lien filed. Tom stated liens have a 2 year life expectancy but the title companies do act on expired liens. Tom commented this works to our advantage, and the Finance Committee should be helping with this. Liens guarantee two things: 1) if we are patient we will get our money, and 2) there is an interest rate of 18% per year (if a lien is filed). Tom stressed the Association's process for liens is fully in order. Tom explained the three tiers that were created: Tier One- charge 18% interest, Tier Two- execute liens against property, and Tier Three- small claims court (District Court in Santa Fe). We need to pay the attorney's time and establish a bank account and bring back up to \$6K to pay out the billable hours. \$6K is small and we need to sue in priority order. There are three lots over \$2K. In addition, new liens need to be accomplished (per Tier 2). **ACTION ITEM.**

Tom proposed to get attorney guidance to send letter. Looks like a waste of money, but it's not. Point of fact: Send certified letter with lien. Accompanying letter will state: By formal association rules, you have exceeded the dollar amount and it will be turned over to the association attorney for settlement. Shannon stated we need to do this the right way. **ACTION ITEM** - generate new liens, 3 priority items, and the properties over \$1000. Each lien cost \$25 and need legal description (Mary will be able to get this description). Tom stated Bobbie and Megan are available to help Mary. Suspense: 1 Feb 2019  
Tom stated a court lien becomes negotiable. Joan asked if the letter can state that a fee will be assessed at 18% annually. Mike and Tom agreed, statement will be included. Mike stated once the letter is turned over to Attorney; we have done our due diligence  
Step One - draft letter, Tom will draft. **ACTION ITEM - Tom**  
Step Two - accumulate and submit to Attorney. **ACTION ITEM - Mary, with assistance from Bobbie and Megan.** Tom mentioned Megan created data, package could serve as the model.

#### **Written Committee Operating Procedures:**

Challenge will be to get volunteers and not the people in the room. Mike stated this will be an agenda item for the January General Meeting. Mike will start drafting and send to ACC and Road Committee. These procedures will show upper/lower control limits. All board members were in agreement these procedures will be helpful. **ACTION ITEM - Mike send out draft.**

#### **Officer Vacancy - Vice President:**

Mike asked Joan if she was interested. Joan stated she will be willing to cover vacancy until June. Mary made the motion. Shannon seconded. All in favor.

#### **Entrance Gate:**

Joan reached out to Mr. Alderete twice; the outcome was non-responsive. Joan's action is closed. Shannon offered to reach out to someone he knows. Many things were discussed with regards to this topic; they include: cost (\$15K to \$20K), description (rolling), placement (set back far enough for a truck and trailer), code/pad (change code quarterly), maintenance/upkeep, removal of snow during winter, security camera. In closing, Shannon will gather information and cost. Mike stated this has to be presented at general meeting with list of options, what works best for community and voted by the association. **ACTION ITEM - Shannon.**

#### **East Equestrian Trail:**

TJ has ideas on how to use the existing stones. TJ and Mike will do the rough work. TJ suggested having volunteers to do some light handwork during clean-up day. **ACTION ITEM - TJ and Mike with follow-up ACTION ITEM - spring clean-up day**

#### **Discuss next application of road stabilizer:**

TJ stated Dave has contacted contractors and they all agree on road base. Dave is compiling numbers but it is expensive, \$20K-\$30K.

Mike stated there are several bad areas, in front of Mary's house (Camino Collado) and beginning of loop (Los Cerritos). Mike provided the cost for 7 tons (\$150-\$175). Camino Collado would probably take 2 loads and Camino Cerritos loop would probably take 3 loads. Joan asked what road base was. Tom provided an explanation: It is engineered material which compacts better. There was insufficient application applied in 1993 and there is penetration through the road base that we are attempting to fix. Mike stated we need 2 inches of road base and gravel (rocks) on top. Mike stated he could get it delivered from the aggregate company (Enviroworks) in Edgewood and he could spread it. TJ stated it takes experience (crown the road, etc). Joan reminded all the weather is not good. Mary provided all



attendees the treasurer report, showing an available balance of \$27K. Tom wondered if we could do this in the Spring, along with the next assessments. Mike stated there has been a vote since Aug 18, follow-up work did not get done. Shannon said \$20K would be enough. Tom said we don't want to spend down, we need to set a dollar amount and prioritize jobs. Mike stated that was always the plan. Tom proposed to spend \$10K for this effort. Mike asked TJ, based on Dave's assessment, what is a ballpark figure? TJ stated \$30K would be enough to grade all roads, keep in mind \$3K is to mobilize equipment. Mike restated there was a vote to repair critical areas only. Timberline will be agreeable to do spot work. TJ stated he would push for \$12K. Shannon stated let's propose to Timberline. There was a motion to allow the Road Committee for a budget of \$12K to complete essential areas with road base and rock in priority order. TJ will go directly to Timberlake. Mike offered to help with oversight.

Shannon excused himself from the meeting early.

Mary made a motion to establish \$12K with work in priority order, road base and rock. Pinpoint work on map and get it done as soon as possible, weather permitting. Joan seconded. The board voted unanimous.

**New Business:**

**Officer Vacancy - Secretary:** Time did not allow discussion of this agenda item

**Treasurer Report (Mary):** Provided in old business discussion

**Annual Meeting (Jan 2019):** Time did not allow discussion of this agenda item

**Snow Removal** (not on board meeting agenda)

TJ informed the board it was difficult to find a contractors to do the work and the ones that did respond were a lot more expensive than what we have been paying. TJ wanted to re-evaluate snow plowing with Mike. TJ requested board to re-consider an increase to the hourly rate of \$75 per hour. Informed the board the going rate is \$150 per hour.

Mary made a motion to raise snow plowing rate to \$100 per hour, Joan seconded. Tom voted yes.

Mike accepted the amount of \$100 per hour to do the snow plowing.

Discussion continued that Mike is the primary contractor and if he needs assistance, he will contact Joan, who will in turn contact the road committee.

Adjourned at 9:38pm.



Michael E. Rariden

President, LCAHA