

Los Cerritos Area Homeowners Association
Board Meeting
Wednesday August 23, 2023
Comfort Inn & Suites

Attendance:

President: Max Knarr

Vice President: Darell Rogers

Board Members:

TJ Maloy

Dianne Christensen

Patrick Pace

Officers:

Secretary: Jessica Shelby

Treasurer: Lyndsi Donner

ACC:

KR Scott

Roads:

David Nee

Guests:

Kevin Molinar

President: Max Knarr

Max called the meeting to order at 5:03pm.

Introductions were made around the table. Max is the ACC Chair as well as the president. KR Scott, Sharon Siewart and Dale Joseph are also on the ACC. He will run the ACC similar to KR.

The requests come in and he will put them out to the committee to approve them and give them a week to comment back with objections then it's approved. There were 3 requests put in dealing with Kitchen addons, solar Panels and fences.

Community Notes: If anyone is interested In learning more about Smart 911, information can be found online

The solar horse gate has not been functioning properly. The Board discussed fixing the gate. Darell, TJ and David will go look at it to see what can be done.

Hayride: Jessica will lead the hayride and start calling and planning in September. The hay, drivers, and trailers need to be secured. We want 6 or 7 tailers this year because it's getting bigger every year! We want to check and make sure we have insurance that covers it. We are having the Hayride on Oct 28th.

ACC: Max Knarr

Some backlog requests were a Kitchen add on and solar panels on a house in the Pines. The new construction wants an extension. He put in for December. The Board has addressed the gas line and the fire. Max made a motion to grant an extension to Kevin Molinar to continue construction to December 31st, Dianne 2nd the motion. None opposed and the motion passed.

Road Committee: David Nee

In June TJ and wonderful volunteers worked on loose asphalt packing and crack sealing. There is more work to be done. The roads are not too bad but there is some alligating on the asphalt roads. The gravel roads are in decent shape. David would like to spend 800 for the asphalt needs. Roads committee would like to chip seal all the asphalt and wants to chip seal the 40 ft aprons.

Treasurer: Lyndsi Donner

- Currently, 8 lots are not current on dues. Of these, 4 lots owe less than \$500 and 4 lots owe more than \$500. There are 2 liens currently in place.
 - Lot 69 is a lot which owes more than \$500 (\$648). This lot is pending sale with an anticipated closing date of August 29th. The HOA is slated to collect this debt at closing.
- I will be sending out reminders regarding overdue amounts next week, stating finance charges will be charged on overdue balances when the 2nd half 2023 dues are billed at the beginning of October.
- Follow-Up on Lot 4A3B: This lot owed \$1,007.23 at the time of the board meeting in May. I sent the lot owners a certified letter stating the board was prepared to move forward with a lien on the property if the past due balance was not addressed. The lot owner responded by paying the overdue balance in full. As of today, Lot 4A3B is current on dues.
- K.R. and I met with Karma Whelchel, the HOA's new CPA, to discuss the HOA's nonprofit status.
 - LCAHA is currently registered as a 501c3 with the state of New Mexico. With the help of K.R.'s research, Karma is working to determine if the HOA should be classified as a 501c4 (HOA) or 501c7 (social events) instead of a 501c3 for tax purposes.
 - Nonprofit designation has not been filed with the IRS. Karma stated the initial fee to file nonprofit status with the IRS typically ranges from \$500-\$2,000. She is researching to determine what the fee would be.
 - Karma is also reviewing LCAHA's previous year taxes from H&R Block. She briefly reviewed the tax documents during our meeting and made me feel more comfortable that H&R Block filed the taxes correctly. I told Karma the HOA would like to hire her as the Association's CPA.

She agreed she would like to hold this position. She will be completing LCAHA's taxes going forward.

- I have officially added Karma as the Association's CPA on Quickbooks, giving her access to LCAHA's books online. She has access to all the bookkeeping this way.
- Regarding 1099s, Karma recommends collecting W9 forms from any LLC or sole proprietor providing services (over \$600) to the HOA.
 - Following the annual meeting in June, Lat and Melanie Smith submitted a generous donation of \$150 for the back open space gate project. **\$3,350** has generously been donated to this project. To date, **\$3,000** has been used. There is currently **\$350** remaining.
 - **The current balance in the checking account is: \$68,007.89.**
- \$350 – Back open space gate project
- As established in the budget, 10% is set aside for administrative costs and reserves. 90% of the budget is earmarked for roads.

The Board also discussed fire safety and tree cutting. All the brush by the water tower was picked up and paid for by Epcor. Also, discussed the possibility of using the easement on east side of the Camino Cerritos cul-de-sac as an emergency exit.

Meeting adjourned at 7pm