

## **Puesta Del Sol Annual General Meeting Minutes**

Date: Saturday, June 26, 2021

Time: 9:00 a.m.

Location: via Zoom

### **Attendees:** 13 lots represented

Dan Boyer - (Host of Zoom meeting) President of HOA

Jerry Klaes - Vice President of HOA

Joyce Robertson – Developer/Board member

Don Bellio – Board Member

Barb Bellio

Adam and Korena Thomas

Vicki Ferguson

Ben Billingsley

Kody and Briana Henderson

Lexy Walker

Ryan Jackman

Jake Tanner

By Proxy – Paul and Patti Trap

By Proxy – Robert Funange

The President called the meeting to order at 9:09 a.m.

Noted: No Quorum for today's meeting. There are 35 total lots, 18 votes represent a quorum.

Barb was asked to take notes for the minutes.

### **Review of Agenda:** (agenda shared on screen)

**Approve minutes from 2020 meeting.** Determined acceptable however cannot approve due to lack of quorum.

**ACTION ITEM:** Send 2020 meeting minutes out to all HOA members via email to ask for their approval of the minutes so they can be posted on the website. We need 18 approvals. Reason to get the minutes approved is because it is important to get the latest minutes and financials posted on the website. It aids in properties being purchased and is efficient.

### **Call for any New Business.** Any new other business?

A request was made to discuss the items in an email sent out by Adam Thomas.

Deferred to discuss under New Business.

## **Review of expenses from 2020 and Budget for 2021**

Documents were shared on the screen, started with expenses for 2020. The financial documents were emailed just prior to the meeting (7:27 a.m.) from Puesta Del Sol Board with attachments, Subject line: PDS Budget & Minutes; body of email has the Budget as of 5/31/21 containing 2 attachments. 1) PDS 2021 Budget; 2) PDS General Meeting Minutes 2020. Don went over the items on the 2021 Income, Expenses and Budget as of 6.21.21.

### **Late construction commencement fees:**

A question was raised Regarding Late fees: Have all the property lots that are sold and not yet constructed being assessed late fees? It was asked if there is selected enforcement of fees. Complaints and frustrations were expressed regarding possible selected enforcement. If one person is fined, all others should be to or not at all.

6 empty lots in question.      Lot 1: Lot owed by Stevens  
   Lot 2: Lot owned by Smith  
   Lot 3: Lot owned by Geoff Thomas  
   Lot 4: Lot owned by Haycock  
   Lot 5: Lot owned by Bellio  
   Lot 6: Lot owned by Bellio

#### Explanations:

Lot 1: Lot owned by Stevens – A bill was given to the homeowner a few years ago, however homeowner produced a document which was from 2007 when the lot was sold that as part of the sale the requirement to build within the one year was waived. Letter was determined to be binding by legal counsel.

Lot 2: Lot had a different owner and was billed \$1,500; however, only \$500 dollars was collected due to proper notice not given to homeowners regarding the increase in fee. Current owner, Smith, will be billed \$1,500 when it is due.

Lot 3: Lot owned by Geoff Thomas. Billed \$1,500 and collected. Paid two years in a row.

Lot 4: Lot previously owned by Musselman - Helquist. Billed \$1,500 and collected. Lot was just resold on June 2021.

Lot 5: Lot owned by Bellio

A member raised a question regarding the lot to the east and south of Don's house and why that lot also has never been assessed a late construction fee.

A member expressed concern about how that deal came about, favoritism, and conflict of interest issues. Additionally, the member stated, the lot is still a lot per the original design of the PDS development and further the owner should in perpetuity pay late construction fees. The member also stated it is not fair to charge others for late construction fees.

Rebuttal by Don was that the lot was purchased and legally combined via the county into one lot and therefore late construction fees are not appropriate, there is a home on a single lot. Don stated that if the issue is concern regarding the reduction in HOA fees based the count of lots per the original design and further determined that he should be assessed HOA dues for that lot, it seems appropriate that he would also receive two votes.

A member stated that it may be fine with the county to abandon property lines but per the HOA it is two lots. Furthermore, the member stated, the lot should in perpetuity be assessed late construction fees because a structure is not being built on the lot. Decreasing the number of lots per the original design of the HOA, according to the member, is breaking CC&R guidelines and it is still two lots and as such fees need to be assessed. The member further expressed issues regarding conflict of interest and granting permission by a board lacking a quorum.

It was recommended by Dan that a detailed formal complaint be written and provided to the board.

**Accounting services cost:**

A member brought up that the cost of accounting service by Larson seems a bit high and that costs have more than doubled in the last 3 years. The member asked why are we using a public accounting firm and stated that it is too expensive if 2/3 of HOA dues go to paying for treasury work to be done. Opinion was expressed that a member of the HOA should hold this position.

It was agreed by Jerry that costs do seem high; however, there has been high activity this year with the sale of lots, fee collections and they file our taxes. Jerry said let's look at the cost breakdown and decide after that, and perhaps we take bids from other accounting firms in the future. Jerry said using Larson adds transparency to the financial matters of the HOA.

**ACITON ITEM:** Ask for a detailed cost breakdown from Larson Accounting.

**Financial reserves:**

Jerry stated it is the HOA goal to have \$10,000 reserve to cover retaining pond repairs should it be necessary. The plan is to move that amount out of our current assets into a savings account.

**Insurance:**

Currently our expenses for insurance are higher than they should have been for the last 3 years. It was discovered that when the condos were split from the PDS HOA insurance was not maintained. Next year we should see a decrease and the board will obtain competitive quotes.

**Website costs:**

A member questioned if the website is beneficial and expressed that the website appears to only help the board/developer in the sale of lots. The member stated that board members could easily just email potential new owners or use Facebook. The member stated concern about the cost of maintenance.

Jerry stated that the website is very beneficial to the board to direct new homeowners to current up-to-date documents, such as the CC&R. Not only for new lots but for the resales. The website alleviates workload on board members. Future maintenance should be in the range of \$100-\$200/year. Currently documents on the site are being managed by board members thereby keeping the costs low.

Don mentioned that the idea for having a website was previously addressed, voted on, and approved by members to have one and that it is very beneficial. Hours of labor have gone into organizing and posting documents of the website.

It was expressed that the website is liked. Documents are up-to-date and accessible, and meetings are posted. Complaint was redirected and further agreed that the website is a good thing.

**OLD BUSINESS.** There was none.

**NEW BUSINESS.**

**Board Membership Issues**

- 1) Dan asked if any members were willing to serve on the board. There were no volunteers.

A member expressed that someone volunteered to be an officer, but their service was not enlisted.

A member asked how an owner becomes an HOA officer and how others in the HOA become board members and if at today's meeting we were voting.

Dan replied that there is not a quorum for today's meeting and further a special meeting is needed to vote.

**ACTION ITEM:** The board will have a meeting to talk about developing a process regarding HOA officer and Board Member recruitment and terms.

- 2) A member complained about outsourcing HOA officer positions, specifically the role of treasurer. The member expressed that board positions should be held by people who own homes in the development.

Jerry stated there is value in hiring out officer positions on the board. It ensures legal compliance, with things like future rewrites of regulations, special assessments. Another good example was in collecting the increased fine amount of \$1500 (was \$500) for late completion of construction, not every step was taken properly, and it took time and money to resolve.

- 3) A member stated that the board did not respond to an email that was sent.

Jerry stated that he does not diligently monitor the PDS contact email address.

**ACTION ITEM:** Provide to members some better method of contacting the board.

- a) Complaints about requests not receiving action.

- i) A request was made to make public to all PDS members a directory of everyone's email address for the purpose of communicating PDS HOA concerns and issues.

Jerry stated that privacy issues were a concern.

- ii) A request was made to receive the financials. Jerry stated that Financials are posted on the website. It was determined that it was the new financials that were being requested and those were not on the website.

- 4) What makes a board quorum?

A member stated that the board did not have a quorum to make past decisions since decisions were made by two members, Joyce and Jerry. Dan stated that the board could continue operate with less than three and actively recruit new members. It was further stated that a detailed written formal complaint be provided to the board if there are concerns.

5) Duties of board members.

It was expressed that being on the board in a specific role doesn't preclude any member on the board performing other duties. It was stated by Don that in the by-laws under section 5.6 the description of duties by officers is provided.

Jerry talked about the fair amount of work that it is to be a board member/officer. The work is unforgiving and thankless. When dealing with violations at times the homeowner gives back a non-professional response even though it is a clear violation.

**Compliance to the Rules and Regulations:**

Jerry mentioned that the board is receiving complaints from members about their noncompliance. To be fair, a letter was sent to all members regarding common complaint issues that are being brought up about noncompliance. A request is made that all members be aware of the regulations and continue with compliance.

No more new business.

Jerry made a motion to adjourn the meeting. Adam gave a second.

**Meeting Adjourned 10:12 a.m.**