

2018 Annual Meeting Minutes

SHHA 2018 ANNUAL MEETING MINUTES

Saturday, February 17, 2018

9:00 a.m. Church of the Good Shepherd

1. **CALL TO ORDER:** The 2018 Annual Meeting of the Sandia Heights Homeowners Association (SHHA) was called to order by Vice President Emily Rudin at 8:45 a.m. at the Church of the Good Shepherd. The Secretary and Treasurer, as well as members of the Board, were present and a quorum of both the Board and members was declared.
2. **WELCOME:** The Vice President welcomed everyone and thanked them for attending. She outlined the Agenda for the Annual Meeting (Business Session) and previewed the objectives of the Strategic Planning Session that would follow.
3. **ANNUAL MEETING PROCEDURES OF CONDUCT:**
Vice President Emily Rudin explained the Annual Meeting Procedures of Conduct:
 1. Please silence all cell phones during the meeting.
 2. Questions for the Officers or about committee reports will be written, handed to the Secretary, and each addressed according to the agenda.
 3. Before speaking, please present yourself at a microphone to be recognized by the Vice President and state your name.
4. **CONTENTS OF THE ANNUAL MEETING PACKET:**
Each attending household received the following items in the Annual Meeting packet:
 1. The Agenda
 2. The Reports of Officers and Committees
 3. Officer and Committee Report Question Forms
 4. 2017 Budget vs. Actual and Balance Sheet
5. **INTRODUCTION OF BOARD/COMMITTEE CHAIRS/OFFICE STAFF:**
Vice President Emily Rudin introduced the 2017 Board of Officers. Joe Pappé – President was not present. Emily Rudin – Vice President and Nominating Committee Chair, Woody Farber – Treasurer and Finance Committee Chair, Bob Bower – Secretary and Architectural Control Committee (ACC) Chair. The 2017 Board of Directors' names were announced. Also introduced were Suzanne Maxwell, facilitator for the Strategic Planning Session, John Chavez and Diana Justice of Sandia Heights Services, office co-administrators Betsy Rodriguez and Jessica Seeley, audiovisual assistant and member Bob Danielson, and O'Beans caterers Tony and Sarah O'Brian.
6. **REPORT OF THE 2017 MINUTES:** The minutes of the 2017 Annual Meeting were reviewed by the Board of Directors at its March 2017 meeting and found to be correct. Those minutes are on file in the Official Record Book (ORB) in the office and on the SHHA website.
7. **REPORT OF THE 2018 MINUTES:** The Vice President announced that the SHHA Board will review and approve the minutes of the 2018 Annual Meeting at the next regular Board meeting in March. The approved minutes will be on file in the ORB in the office and posted on the SHHA website.

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8. ANNOUNCEMENT OF OFFICERS AND BOARD ELECTIONS:

- a. The Vice President explained that new Officers of the Board are elected by the Board of Directors. Board of Director members must be Sandia Heights property owners and members of SHHA. New Board members are elected by the Association membership or by the Board of Directors. Board members serve a 3-year, renewable term. Besides serving on the Board as Directors, they must serve on at least one committee. If anyone is interested in serving on the Board, they were asked to fill out a Statement of Interest form, which was available at the registration desk at the Annual Meeting, at the SHHA office, or on the website under the Board tab.

9. REPORTS OF OFFICERS: These are the reports covering January to December 2017. They are on file in the ORB.

a. PRESIDENT (Joe Pappé):

- Initiated SHHA Office security upgrades
- Initiated the preparation for SHHHA strategic planning
- Led the recruitment of new board and committee by writing a series of recruitment GRIT articles
- Led exploration of legal SHHA dissolution options
- Interviewed potential employees and hired a new staff member for the SHHA Office.
- Led the revision of office staff titles, position descriptions, and employment contracts.
- Led the BOD in the review of Association procedures and guidelines to ensure compliance with the Homeowner Act (HOA).

QUESTIONS:

Verbal/Written question(s) about the President's report. No questions were asked or submitted.

b. VICE PRESIDENT (Emily Rudin):

Played leadership role in:

- Strategic planning for SHHA's future
- Chairing Board subcommittee to plan 2018 Annual Meeting
- Exploration of legal options re potential dissolution of SHHA
- Interviewing and hiring of new Office staff; revised titles, position descriptions, and employment agreements
- Advising C&P Committee and Office staff on improving The GRIT
- Monthly hard edits of The GRIT
- Designing of invitation for 2017 Volunteer Appreciation Luncheon, and leading event in October
- Writing 10 articles for *The GRIT* (with photos and art)
- Writing 4 water-bill inserts for all residents

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As Chair of Nominating Committee:

- Led effort to recruit and interview new Board and Committee members from the general membership
- Interviewed large pool of Board candidates
- Recommended 9 candidates for Board vote, all affirmed
- Interviewed 35 members interested in Board and/or committee service, and then referred names to Board for further outreach
- Developed slate of 2018-19 officers for Board vote

QUESTIONS:

Verbal/Written question(s) about the Nominating Committee report.

Question by Steve Baca (Board member): Breakdown of applications (35) criteria? Disposition? How many Board of Directors, Committee?

Answer by Emily Rudin:

As I responded to your recent email: The Committee's review and selection process for qualified Board candidates was followed consistently in every case, including yours. The Committee met in person for every candidate interview. Our criteria, per our Charter, required that every qualified candidate needed to be both willing and able. Not every candidate chose to be further considered; some withdrew due to frequent travel, inconvenient timing in their lives, and similar reasons. A couple of applicants submitted largely blank applications. It's important that you understand that 35 SHHA members never requested to join the Board (a number which, if accepted, would have violated SHHA's Bylaws). Many wanted only to join a committee. Over a period of four months I spoke personally, at least once and often several times, to every SHHA member who responded to Joe Pappé's GRIT columns asking for people to serve on the Board and on committees. In November, I compiled a detailed list of all of these members and their contact information, distributed it to every officer and Board member, and asked that committee chairs and selected others call each as-yet unassigned member again to gauge continued interest, update them on the status of SHHA's committee structure, and let them know SHHA will contact them again after the 2018 Annual Meeting once we have a better idea of our plans. As with my previous response, I hope this information answers your question.

c. SECRETARY (Bob Bower):

Performed the following functions in accordance with the Bylaws:

- Oversaw the preparation and approval of the monthly Board meeting minutes.
- Certified the presence of a quorum necessary for the proper conduct of business at each Board meeting.
- Oversaw the Board's answers to the 2017 Town Hall Meeting questions.
- Ensured the preparation and publication of the notification for the Annual Meeting.

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- Ensured the preparation and filing of SHHA's annual report for nonprofit corporations to the State of New Mexico.
- Ensured that SHHA's Official Records Book is properly maintained and is on file at the SHHA Office.
- Performed additional duties normally incident to the office of Secretary.

QUESTIONS:

Verbal/Written question(s) about the Secretary's report. No questions were asked or submitted.

d. TREASURER (Woody Farber):

Finance Committee Members:

Woody Farber – Chairman
Carnie Abajian
Bob Bower
Cheryl Iverson

2017 Budget Results

- The Board approved 2017 Budget estimated Gross Income of \$202,801.78, Expenses of \$202,511.00 and Other Expenses of \$3,509.00, resulting in Net Income of -\$3,218.22.
- As stated at the time the 2017 Budget was approved, these are projections which may change during the year, and have changed. The final financial reports show Gross Income of \$205,393.53, Expenses of \$215,598.61 and Other Expenses of 1,953.36, resulting in a Net Income of -\$12,158.44. The major differences between budgeted and actual amounts were in legal expenses.

2018 Budget

- After reviewing the proposed 2018 budget at its January 10, 2018 meeting, the Board approved the budget as proposed by the Finance Committee.
- The Finance Committee developed the budget based on the current and projected reserves and the revenues needed to cover the services needed by the property owners.
- This allows for a reasonable targeted Net Income of approximately - \$1,500.00. Each year the income and expenses will be reviewed to establish the best course of action for the following years.
- Budgets are projections which may change as the year progresses, so please go to the Finance tab on the Board section of the SHHA website for current details.

Internal Review

- Each year members of the Finance Committee review the major financial procedures to ensure they are being followed.
- This past year members reviewed payroll, QuickBooks, dues, petty

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- cash, advertising, tram passes, health insurance and security.
- While there were no major issues noted, several improvements were identified, especially in the area of security.
- Based on the reviews, the required annual report was prepared and submitted to the Executive Committee for review and acceptance by the President.

QUESTIONS:

Verbal/Written question(s) about the Treasurer's report.

Question by Marsha Thole: Budget – Why aren't personnel costs listed on the budget?

Answer by Woody Farber: The personnel costs are included in the Operating Expenses on the summary report and are listed in Office Staff under Operating Expenses on the detail report for a total of \$79,754.95. The detail report is available on the web site.

Question by Marsha Thole: What is the SHHA expense?

Answer by Woody Farber: The SHHA Expense includes bank fees and Sandia Heights Services expenses for the billing and collection of SHHA dues.

Question by Marsha Thole: Who would qualify to buy a Directory if not a member?

Answer by Betsy Rodriguez: Non-member residents may also purchase a Resident Guide and Directory.

Question by Marsha Thole: Why doesn't SHHA buy few corporate tram passes, given a historic 20% plus/minus non-use rate?

Answer by Woody Farber: SHHA has purchased a set number of tram passes for each available day and has requested the ability to use unsold passes for a particular day on other days. Sandia Heights Services has been unwilling to make these changes to the contract. SHHA Board has determined it should continue to purchase the number of passes indicated in the contract based on the daily usage levels.

10. STANDING COMMITTEE REPORTS

- a. FINANCE COMMITTEE (FC) CHAIR (Woody Farber) - report was presented as part of the Treasurer's report.
- b. ARCHITECTURAL CONTROL COMMITTEE (ACC) CHAIR (Bob Bower):
Members:
Bob Bower - Chairman
Dorian Atwater
Cheryl Iverson

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Michael Pierce
Hugh Prather
Emily Rudin

Functions:

- Chartered by Covenants for all SHHA Units.
- Manages the architectural control process for SHHA by approving changes to the external appearance of properties (e.g., new construction, additions, remodels, landscaping).
- Conducts neighborhood reviews if needed.
- Strives to make decisions within 30 days of receipt of completed applications.
- Processes and manages about 300 projects annually.
- Meets monthly on 1st and 3rd Wednesdays to expedite response times.
- Administratively approves projects where review by entire ACC is deemed unnecessary by the Chairman.
- Publishes guidelines to assist residents with design process (setbacks and variances, walls and fences, roofing, landscaping, detached structures, solar collectors).
- Maintains log of active projects on SHHA website and in *GRIT*.
- Publishes articles in *GRIT*.

Summary of Activities for 2017:

A total of 276 applications were approved in 2017. The ACC continued to work with the County on new developments in the community, including North Tramway Estates (NTE) and Hawks Landing. Most of the 14 building sites in NTE have been sold and developed. Hawks Landing is scheduled to begin construction of its planned 33 residences in 2018. The ACC also attended meetings of the County Zoning Administration, Planning Commission, and Board of County Commissioners on requests for zoning changes that would impact residential properties within Sandia Heights and on zoning requests for commercial ventures within the immediate vicinity. The ACC will continue to keep the community informed on:

- PNM rate-hike decisions.
- Changes to the County's wastewater ordinance and how they will affect residents who own septic systems.
- NTE and Hawks Landing developments.

QUESTIONS:

Verbal/Written questions about the Architectural Control Committee report.

Question by Keith Julian: *What is the status of Bernalillo County Waste Water Ordinance and Enforcement of Inspection/Replacement Requirements?*

Answer by Bob Bower: *The waste water ordinance has not changed but Bernalillo County has been concentrating on documenting unauthorized waste disposal sites such as cess pools. Sandia Heights residents are still required to have septic systems that are more than thirty years old inspected once every five years.*

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c. COVENANT SUPPORT COMMITTEE (CSC) CHAIR (Robert Thomas):

Members:

Bob Thomas – Chair

Kristen Balzer

Bob Bower – ACC liaison

Judy Chreist

George Connor

Patty Piasecki

Susan Seligman

Marion Simon

Ruth Haas

Richard Wavrik resigned as Chair on 11/8/2017.

The CSC meets the first Tuesday of every month at 7:00 pm. Homeowners can attend, for the meeting duration or any part thereof, but please notify the SHHA Office beforehand.

Report:

There are many constraints as to what the CSC can do. The covenants were written in the 1960-1970 timeframes and did not specifically address some of the issues we face today. We are bound by what your covenants permit.

There were 47 complaints handled by the CSC in 2017, including 5 carried over from 2016. All were investigated by CSC members and recommendations were made as to the validity of the complaints with regard to the covenants relevant to their units. Of these, 46 were closed in 2017.

Most were resolved between SHHA and the homeowners. However, four were sent to the SHHA attorney for further action, two carried over from 2016 and two from 2017. In one court case SHHA was awarded attorney fees. SHHA has not recovered any fees to date. However, a Claim of Lien was filed with the County Clerk's office. This award establishes an important precedent for future court actions.

The CSC published the following articles in *The GRIT*:

Jan. - Light Reminder; Trash Cans; Parking

Feb. - Covenants and Emerging Technologies

Mar. - Annual Report; Procedures to Amend Unit Covenants

Apr. - Lighting; RV, Camper, and Boat Storage; Procedures to Amend Unit Covenants

May. - Light Pollution

Jun. - Room Rentals; RV, Camper, and Boat Storage

Jul. - Joint SHHA/SHS Statement on Outdoor Lighting; Weeds and RV's; Enforcement of Covenants

Aug. - Room Rentals

Sep. - Q&A about Covenants

Oct. - What is a Single Family; Drones

Nov. - RV's, Campers, and Boats; Weeds and Landscaping; SHHA Is Not a Property Manager

Dec. - Trailers, Boats, RV's and Commercial Trucks; Parked Vehicles; Trash Cans

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The CSC currently has nine members. They represent a broad range of experience and are passionate about enforcing the covenants and maintaining our Sandia Heights values. We feel we can adequately handle the workload with reasonable turnaround times.

QUESTIONS:

Verbal/Written question(s) about the Covenant Support Committee report.

Verbal comment by Rick Gillis: *I would like for the CSC to be disbanded. My covenants say I am allowed to keep my camper-trailer shell on my property.*

Written Comments by Rick Gillis: *CSC disbanding – Covenant do not support a CSC. Problems: incompetent in subject areas; legal and institutional history/memory Exercise poor judgement; tell a lie often enough and long enough and people believe the lie as the truth.*

Answered by: Dick Wavrik, Bob Thomas, and Emily Rudin

Dick Wavrik: *The covenants in your Unit prohibited a visible camper-trailer shell. Enforcing the covenants in your case cost the Association \$35,000 in legal fees. For that cost, we could have bought you a Winnebago.*

Bob Thomas: *Contact me and I'll meet with you.*

Emily Rudin: *Rick, we definitely hear your concerns. But as you know, your legal case was closed last year.*

d. COMMUNITY SERVICE & MEMBERSHIP COMMITTEE (CS&M):

The Executive Committee manages the charter of this Committee.

- The Tram Pass program offers eight passes per day for \$6.00 per pass.
- In 2017, 2,110 passes were used and 594 were unused (a 78% usage rate).
- The SHHA Merchant Benefits Program allows members to get a discount from the merchants. There were 22 participating merchants.
- The merchants and their discounts are displayed on the SHHA website.
- Membership: Membership in SHHA continues to increase. We started the year with 1,748 members and ended with 1,757. The total membership stands at 80% of 2,185 households.

QUESTIONS:

Verbal/Written question(s) about the Community Service & Membership Committee report.

Question by Marsha Thole: *What constitutes the costs under Community Service and Membership on the budget?*

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Answer by Woody Farber: The cost is comprised of tram passes purchased under contract and volunteer luncheon.

- e. COMMUNICATIONS & PUBLICATIONS COMMITTEE (C&P) The Executive Committee manages the charter of this Committee:

This committee needs a chairperson.

Members:

Jo Ann Hamlin
Anne Manning
Burt O'Neil
Bill Wiley
Betsy Rodriguez
Jessica Seeley

Accomplishments:

- Continued the monthly *GRIT* publication, frequently adding new content.
- Provided more timely updates to the website.
- Responded promptly to member requests, comments, and complaints.

QUESTIONS:

Verbal/Written question(s) about the Communications & Publication Committee report.

Question from Marsha Thole: You could save, I believe, \$15,000.00 plus if you went to an online newsletter. Why haven't you done that given the net income loss on the budget.

Answer by Woody Farber: SHHA has conducted several surveys of its membership regarding the on-line GRIT, and a majority have responded they wish to receive the paper copy each month. Based on these responses, SHHA has decided to keep the paper copy. In addition, the advertising pays for the cost of the Grit.

- f. PARKS & SAFETY COMMITTEE (P&S) CHAIR (Bill Wiley)

Members:

Bill Wiley - Chairman
Barb Kelly
Martin Kirk
Burt O'Neil
Travis Rich
Suzanne Schneider

During 2017, Parks & Safety took care of many issues in and around Sandia Heights.

- Installed 8 "Area Patrolled by Security" signs, in cooperation with the County.

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- Hosted two Meet and Greets with the County Sheriff's Office.
- Adopted two miles of Tramway Boulevard to clean up 2-3 times per year.
- Refilled dog waste bag dispensers.

QUESTIONS:

Verbal/Written question(s) about the Parks and Safety Committee report.

Question by Deb and Jeff Bullard-Berent: *Speeding on San Rafael – Safety.*

As one of the few entrances/through fairs to Sandia Heights – traffic laws – speeding more than 20 mph; stopping at stop signs; yielding to driveways need to be scrutinized and adhered to. What is being done about speeders, higher speed bumps or more stop signs say a three way stop at upper Laurel Loop?

Answer by Wood Farber: *This question will be deferred and will be given to the Parks and Safety Chairman to respond.*

Question by William Anderson:

I am concerned about fire prevention around our homes. I was told by the Forest Service that I needed to clear 30 feet. But this might conflict with maintaining my property in its natural vegetative state, as the covenants require. Would it be possible for someone from the Forest Service to look at Sandia Heights community and provide recommendations (guidelines) about risk aversion?

Answer by Bob Bower: *SHHA will not object to measures taken by homeowners to prevent loss of their property due to wildfires.*

Answer by Emily Rudin: *Be assured that we have heard your request and will act on your behalf.*

The officer and committee reports were concluded.

13. ADJOURNMENT: Vice President Emily Rudin adjourned the Annual Meeting (Business Session) at 9:30 am and announced that the Strategic Planning Session, to help define the future of SHHA, would commence with facilitator Suzanne Maxwell, after a brief break.

Woody Farber, President

Date

Walter Forman, Secretary

Date

Note: Signatures on file in the SHHA Office