

**2014 ANNUAL MEETING**  
**Sol y Lomas Homeowners Association**  
**The United church of Santa Fe**  
**January 25, 2014**

**PRESENT:** Douglas Maahs, Jackie Dulle, Maurice Lierz, Liselo Steffe and Manfred Leuthard, Judy Montano, David Dodge, Joe and Erika Spall....., Shirley and Mil Fleig, Bob Thornburg, Kathleen Hilley and Gary ....., Sam and Diane Pick, Early Eastburn, Batkin, Sherry Sullivan, Patricia Burke, Jon and Rosemary Wallace, Claire McKnight, Mary Maes, Thomas Stanford, Larry and Marilyn Cohen, Charlie and Lily O'Leary, Casey Clendenin, Sherry Magee, Alan Overton, Derek Wurst, John and Diane Gibbs, Florence Lloyd, Melody Sullivan, Zu Davis, Rebecca Welling, Chris Quintana and Joseph Charles, Dannie Roark, Ben Whitehill, Holly Porter, Byron Goldstein, Rosemary Romera, Kathy Elsberry and Susan Orth, Ava and David Salman (Please note that some errors may exist in the names of those in attendance if they were not clearly printed.)

**APPROVAL OF THE AGENDA:** Moved acceptance by Lynn Day and seconded by David Dodge.

**CALL TO ORDER:** President Douglas Maahs called the meeting to order at 10:02 a.m.

**INTRODUCTIONS AND ACKNOWLEDGEMENTS:** The Board members introduced themselves. Douglas Maahs, President; Joseph Kraus, Vice-President; Jackie Dulle, Secretary; Judy Montano, Treasurer; Lynn Day, David Dodge and Dan Lenihan. Douglas recognized the tremendous efforts of the Covenant Review Committee members, who were Casey Clendenin, Lynn Day, Rebecca Welling, Joseph Kraus, Dan Lenihan, and assisted by attorney Melanie MacGillivray. The Committee has met for over a year revising the Covenants.

**APPROVAL OF THE MINUTES FROM LAST ANNUAL MEETING, 1/26/13:** Moved by David Dodge and seconded by Judy Montano. Motion passed.

**2013 FINANCIAL REPORT**

Douglas reviewed the Financial Report, the details of which can be accessed on the Sol y Lomas web site. He noted that dues had been collected in an amount of \$2,849 over the past year. There were 52 non-paying households out of 158 who reside within Sol y Lomas for the year 2013. This was up from 48 non-paying in 2012 and 30 non-paying in 2011. Douglas noted that there are 19 households that have never paid any dues since recording began in 2010. With all the work on revising the covenants, legal costs had been approximately \$2,500 this past year. The beginning financial balance for 2014 is \$3,141.11, subject to correction.

**2014 BUDGET PROPOSAL**

Douglas passed around a copy of the 2014 budget proposal in the amount of \$6,750. He explained that the newly passed State Bill, SB497, which regulates Homeowner Associations requires annual filings, filing for all land transfers, an annual budget, tracking of payments, preparation of and one-time filing of 2014 requirements, recordable statements as requested by owners, etc. Douglas indicated legal counsel advised this would take a stipend-paid individual to handle these compliance issues and said money for that was included in the \$2,500 HOA Act Expense Allowance.

Douglas continued that the requested amount of \$6,750 is based on the calculation that 138 member households would pay dues of \$50 each, and that 20 households might be considered to be hardship cases or simply would not pay dues.

David Dodge moved that the proposed budget for 2014 be approved. Joseph Kraus seconded the motion. A hand vote was taken: 30 in favor and 7 opposed. Motion carried.

**ELECTION OF TRUSTEES**

Douglas reported that the two-year terms of two trustee members, Lynn Day and Jackie Dulle, were expiring. Both agreed to stay on for another two years. The Trustee Board voted and they were approved.

Douglas said it was his intention to step down as President at the end of this meeting and asked for anyone interested in being President. Rosemary Romero expressed an interest in learning about serving on the board, and would confer with Douglas.

### **REVISED COVENANTS – QUESTIONS AND ANSWERS**

Joseph Kraus stated the revised covenants had been written using the City of Santa Fe Codes as a guide. Douglas continued that the covenant language had been cleaned up and made appropriate to this time. He then iterated the four major changes to the covenants. 1. Home-based businesses would be allowed according to the guidelines of the City. 2. Short-term rentals would be allowed according to the guidelines of the City. 3. Fiscal and legal responsibility of the Board of Trustees is now defined. 4. State regulations now mandate how Homeowner Associations are operated and those requirements must be met.

Points made during the ensuing discussion:

Statutory liens for non payment of dues by due date are automatic under the new law, and would remain in place until the dues are paid or at the time of sale of the properties. The HOA could pursue enforcement of the liens.

The current Covenants for Units 1 and 2 expire on June 22, 2014. The Association has six months prior to, and six months following, that date to revise and approve new Covenants. If that does not happen, the current Covenants will expire. Sixty-six affirmative votes are necessary to approve the revised Covenants for the 87 households in Units 1 and 2, representing  $\frac{3}{4}$  of the property owners.

The maintenance of roads is governed by the City, not the HOA.

Long-term rentals are not specifically cited in the Covenants. It was clarified that a homeowner can rent either the main house or the guest house, but not both, and these could be long-term as regulated by the City.

The desire to have chickens was raised. The revised Covenants allow only ordinary household pets.

Clarification regarding out-buildings was made in that they need a permanent foundation, and need approval by the Architectural Review Committee.

Threats to the neighborhood in the event the Covenants expire include over-sized homes, dividing lots, commercial establishments, junk cars, and plummeting property values as seen in other areas of Santa Fe.

Concerns about enforcement of the Covenants were voiced. Douglas reported that the Architectural Committee will attend to enforcement, as soon as they are made aware of any deviances. At the same time, he emphasized the Committee is reasonable about requests and works with the property owners in a compassionate manner.

The need to spell out the time frame for holding any special meeting relevant to an appeal of a disapproval or allowance of a variance by the Architectural Committee was made.

One long-standing active member of the Association reported that in her experience no harsh enforcements had ever been enacted.

It was stated that the City strictly enforces the regulations applying to home-based businesses.

It was pointed out that the By Laws, which govern the Covenants, have no restrictive wording about money commitments or special assessments the Board of Trustees can make, and that the By Laws should be amended since they govern the Covenants. However, it was stated the By Laws were not on the agenda for this meeting, and discussion reverted to the Covenants.

It was stated that if there should be 50 liens on properties in the neighborhood, because of non-payment of dues, that this fact could affect the sale of one's property.

**VOTE ON THE REVISED COVENANTS FOR UNITS 1 AND 2**

The votes that had been previously mailed in, as well as those submitted at the meeting, were tallied. There were 39 votes in favor and 21 opposed to the revised Covenants.

Douglas stated those households that had not voted, would be contacted for their vote. And the final tally will be communicated with the Association.

**ADJOURNMENT**

The meeting adjourned at 11:45 .a.m.

Submitted by Jackie Dulle, Secretary