

Enchanted Forest Estates (EFE) HOA  
Meeting Minutes  
March 3, 2024

EFE HOA President, Ken Huls, distributed the NOTICE & AGENDA to all Members via email or U.S. Mail on or about February 20, 2024.

**AGENDA**

1. Introduction, Attendance, and Quorum
2. Thank You
3. New Members
4. Financial Report – Laura Klump, Treasurer
5. Update on Special Assessment
6. Committee Reports
  - a. Road Committee Update - Sean Hembree; Tom Richards
  - b. Architectural Committee Update - Peggy Lewis; Barb Hembree
  - c. Community Wildfire Protection Plan (CWPP) Committee Update - Elliott Rice; Mary Lasser
7. New Business
  - a. EFE HOA Tax Obligations and Planning
  - b. Delinquent Member Accounts
  - c. HOA Assets Not in Books
8. 06/02/2024 Meeting Planning
9. Member's Comments
10. Adjournment

## **1. Introduction, Attendance, and Quorum**

The meeting was a VIRTUAL MEETING open to all EFE Members by online attendance only. Ken noted that there were four Board Members present, so Ken officially declared a quorum and called the meeting to order at 4:02 PM MST.

The Board Members and Members identified below were present.

### **The following EFE Board Members were present:**

Lot 48 - Ken Huls - President

Lot 13 - Elliott Rice - Vice President

Lot 16 – Laura Klump - Treasurer

Lot 62 - Mary Lasser - Member at Large

### **Other Members present:**

Lot 10 - Sean Hembree

Lot 48 - Mica Goldfeder

Lot 64 - Amy Paylor

## **2. Thank You**

Ken recognized and thanked Monte for the work he has done throughout the winter removing snow. Ken also recognized and thanked Rob and Hallie for their snow removal work this winter and for pulling a contractor's truck out of a snow bank.

## **3. Welcome New Members**

Ken welcomed two new lot owners to the community.

LOT 29 (923 Skyline Dr.) - Welcome, Heidi! (was Aaron and Susan)

LOT 18 (510 Skyline Dr.) - Welcome, Jason! (was Robert)

## **4. Financial Report – Laura Klump, Treasurer**

Mary displayed the Balance Sheet and Laura explained that the report shows that we currently have a combined balance of \$50,668.68 in the Operating and Money Market accounts with \$900 in Undeposited Funds that were recently received. The correct total balance is \$51,568.68. Laura stated that the report shows \$25,055 in Accounts Receivable, but the correct number is \$24,155 with the Undeposited Funds that were recently received. The report also showed \$10,500 in Accounts Payable, which is the 2<sup>nd</sup> payment due to Justin McCarty on April 1<sup>st</sup> for the snow removal contract.

Mary displayed the Profit and Loss Report and Laura explained that this report shows the expected Total Income is \$74,600 with \$22,200 coming from the Special Assessment and \$52,400 coming from Homeowner's Dues. The report also shows \$21,742.47 in Total Expenses,

including \$21,000 for snow removal, \$623.59 for liability insurance and \$118.88 for website expenses. The report also shows \$11.27 in Interest Income, which results in a Net Income of \$52,868.80.

Mary displayed the Accounts Receivable Aging Summary Report and Laura explained that this report shows outstanding revenue due of \$25,055, but with the recent \$900 in Undeposited Funds received, the current amount is \$24,155. The 2<sup>nd</sup> column in the report (1-30) shows a balance of \$9,350, however, with the recent \$900 in Undeposited Funds received the current total is \$8,450. Laura commented that we have a lot of people late on paying their dues.

Mary asked for clarification on which column represents past due amounts from the Special Assessment vs. past due on the Annual Dues. Laura clarified that the 2<sup>nd</sup> column in the report (1-30), represents the Special Assessment amount (\$8,450) and the 5<sup>th</sup> column (>90) represents the Annual Dues amount (\$15,705).

Ken commented that he wants to make it “very, very clear” that this is the amount still due on the Special Assessment.

Amy noted that not all lots were listed on this report and Laura clarified that only lots with past due amounts are listed. Ken noted that there are three lots with past due amounts > \$1,000 and that this would be discussed later in the agenda. Ken noted that entries showing \$350 past due were from Members that chose to pay half in October and half in April and were not really past due.

## **5. Update on Special Assessment**

Ken announced that Neils Excavating will be doing the road repair on upper Blue Spruce. The bid from Neils came in under \$15,000 and Ken felt this was a very, very good quote given the initial estimate received from McCarty of \$20-25,000. Ken noted that McCarty was not very responsive in pursuing this work. Ken also noted that Neils’s bid included using 2’ concrete piping for the culvert, which is much stronger than the corrugated metal and should last much longer. Ken stated that he would follow up with Neils to determine when work could begin and will send an email out to all members to inform them about the project. Ken also stated that there was a third vendor, but they were unresponsive.

Amy asked if we were planning on using Bruce Neils for other road work, as well. Ken explained that routine road maintenance is covered under our contract with McCarty. However, we should have funding remaining from the Special Assessment that would be used for other major repairs, and that we may consider using Neils.

Amy stated that she had other concerns but would wait until the road committee discussion to bring them up.

Ken wanted to note for the minutes that “myself and the board are very, very thankful that we're able to get the special assessment passed. We were able to collect the lion's share of the assessment already, and the cooperation from the Members has been very good. The feedback has been good, and you know it's painful, but I think it's really going to pay off.”

## **6. Committee Reports**

### **a. Road Committee Report**

Sean Hembree stated that the Road Committee did not have a report for this meeting. He stated that he was appreciative of all the work Ken and Mary did with Neils.

Amy stated that she had other comments concerning the roads. Her first concern is the serious potholes at the junction on Lower Enchanted Forest where the driveways all meet. She stated that it's really difficult to even navigate.

Her second concern was architectural and road related. She asked if we have bonds for the folks that are building, especially during the wintertime? Ken responded that both members of the Architectural Committee were not present. He stated he was confident Peggy has the required road bonds for anyone doing new construction. Mary suggested that Peggy and Barb provide copies of any road bonds to the Board. Ken agreed that the Board should have access to copies of any road bonds.

Sean asked Mary if, in her experience, did the Board ever have to go to a contractor to act on the bond. Mary stated that she was not aware of any instance where the Board had to act on a road bond.

Amy explained that the reason for her question was that there are two new builds going on right now, one on lot 60, 429 Enchanted Forest, and one at lot 65, 587 Enchanted Forest. For the one at 429 Enchanted Forest, they've drilled their well and they've had huge rigs coming in and they are parking basically on the downhill side of the road and the uphill side of the road is getting completely trashed. So, it may be a situation where you're going to need to cash in on a bond.

Ken commented that he will go look at it and appreciated Amy bringing it to the Board's attention. Sean offered to take some photographs of the road just to have it documented. Ken agreed.

Mary asked if it was appropriate for the Board to ask them to repair the road now. Ken stated he had no experience at this and suggested he and Sean meet to assess the damage and talk with the contractor or lot owner.

### **b. Architectural Committee Update**

Ken stated that both committee members were absent. The Board will follow up with them concerning the road bond issue discussed.

### **c. Community Wildfire Protection Plan (CWPP) Committee Update**

Elliott stated that he had been in contact with Ryan Cook from the Wildfire Adaptive Partnership and has gone through a seminar with him. He's now officially the ambassador for the neighborhood. Elliott stated the CWPP is a very extensive document, and he will be reviewing it over the next few months.

## **7. New Business**

### **a. EFE HOA Tax Obligations and Planning**

Ken stated that Laura had informed him in December that there had never been any tax bills paid by the HOA. Ken stated that he believes the HOA needs to file a tax return going forward. He also stated that he believes that as long as things are managed properly, that there is a zero actual tax obligation or bill that would be due.

Ken stated that Laura reached out to colleagues experienced in this area and received consultation about completing the tax preparations for the last three years. Laura stated the tax preparation would cost \$250 / year.

Ken recommended that we file the last three years and find the funds in the current budget to pay the preparation fees. We will have to add this expense as a line item in the budget going forward. Ken stated that he has the last three years of returns and will be reviewing them in the next week, sign off on them and get them submitted.

### **b. Delinquent Member Accounts**

Ken stated that, in his opinion, the Board needs to take action to address delinquent accounts. Our By-laws, as well as state law, allows use to attach liens on properties that are delinquent. Policy should be drafted to address specifics on our approach and address amount delinquent and period delinquent. Ken offered to draft a proposed policy, in accordance with our Covenants and current state law, that could be presented at the next Board meeting.

Mary asked about the cost of filing a lien. Ken stated he was not aware of the filing fees but whatever amount should be budgeted for. Ken noted that there are currently three homeowners that are delinquent by over \$1,000 and he recommend these be addressed first.

Ken recommended the Board begin planning and budgeting for any costs associated with filing of liens and will place the issue on the agenda for the annual meeting, with actions to go in effect the next fiscal year.

Mary also commented on the legal requirement before a lien could be filed and suggested an attorney may be required to assist.

Elliott commented that our By-laws are detailed in addressing delinquent accounts and suggested the Board review those before proceeding. Ken agreed and stated he also wanted to review current state law to make sure our By-laws were current.

Amy asked if we are open to payment plans to those homeowners that truly are struggling. Ken responded that he was not really sure how to assess if someone is truly struggling but that he was open to it. Elliott pointed out that the Covenants contain some detail on payment plans and interest. Ken suggested the Board look at this issue closer and recommended it be put on the agenda for the next meeting.

### **c. HOA Assets Not in Books**

Ken stated that it's come to the Board's attention that there was a laptop computer that was purchased by the board some years ago and its whereabouts are unknown. Mary recalled that it was purchased for the previous Secretary to assist with her duties. Mary agreed to contact the previous Secretary to see if she could determine the location of the laptop.

Ken asked if any of the Board members knew of any other HOA assets that were not properly accounted for. Mary asked if a pile of rocks count. Ken stated that yes, if the HOA purchased the gravel, then it was a community asset but was unsure of how to account for it under General Accepted Accounting Principles.

### **8. 06/02/2024 Meeting Planning**

Ken stated that the next meeting will be on June 2<sup>nd</sup> and that he would work on putting the agenda together with any new business as well as old business. We will follow up on the laptop, road work, and road bond issues discussed.

Laura asked about auditing the books and Mary stated that 2022 and 2023 were completed and that we were current.

### **9. Member's Comments**

Ken opened the floor for comments by all Members.

Mary asked about Amy's comment about the large potholes or road damage on Enchanted Forest Drive near the mailbox entrance or the middle entrance. Amy suggested that we use

the excess gravel to fill in the potholes. Mary agreed and suggested it be done sooner than later.

Sean said he was concerned that just putting loose gravel down may not solve the problem and that it might need to be compressed, with large equipment, to be effective. Ken and Sean agreed to go look at the area to make an assessment.

Mary asked with the work going on at Lot 60 and Enchanted Forest Drive, if the other road out to Lower Enchanted Forest Drive was clear and accessible. Ken said it was clear and Amy added that it was muddy and messy but passable.

#### **10. Adjournment**

Ken adjourned the meeting at 4:48 PM.