

The Gardens on the Rio Grande
Minutes of the meeting of the Board of Directors
Monday, July 12, 2021
Old Town Police Substation - 6:30 p.m.

Board Members Present: Kim Fusselman, Jerry Simon, Marilyn Showalter, Gil Clarke. Gatekeeper: Jeff Hanson. Landscape Committee Chair: David Herstedt. Christopher Bigge resigned his position on the Board. Julia Clarke was asked to take the meeting minutes.

In addition, 14 homeowners attended this meeting.

The meeting was called to order at 6:30 p.m. by President Kim Fusselman. Both Dave Herstedt and Jeff Hanson were given rounds of applause for their superb and long-term service to the community.

Kim Fusselman announced that the Board would conduct a regular board meeting with comments from homeowners at the end.

The minutes of the June 2021 meeting were approved.

Treasurer's report:

Treasurer Jerry Simon provided a written report which is attached to these minutes. It was noted that the figures are current as of July 10 2021. Homeowners are reminded that the Savings/Reserve fund is designated for the road replacement. \$5,000 a year is added to this fund and the 2021 contribution has been made.

This year, the HOA expenses are more than our revenue and three areas have been identified as the cause. The cost for road resealing exceeded the budgeted amount and because 10-digit dialing will be mandatory in October 2021, the motherboard/keypad at the Mountain Road Gate must be replaced. Additionally, the cost of our HOA insurance doubled because of a claim made to cover damage to an entrance gate.

Homeowners are encouraged to spend time reviewing the attached report and becoming familiar with both the budget and our recurring costs.

Landscape Committee Report/Dave Herstedt:

A written report summarizing the landscaping activities during June 2021 accompanies these minutes. There was discussion about a diseased elm tree. Additionally, the removal of two cottonwood logs in the South Common Area was recommended.

Dave Herstedt is stepping back from his position as Landscape Committee Chair. He offered to see several incomplete projects to completion. Dave has done this work for 17 ½ years with the sole purpose of establishing the Gardens on the Rio Grande as a beautiful, healthy and safe place to live. It will be difficult to transition to new leadership.

Gatekeeper Report / Jeff Hanson:

The motherboard/keypad at the Mountain Road gate must be replaced. Not only are residents and guests encountering issues, New Mexico soon will require 10 digit dialing and that is not supported by the existing system. Additionally, the administrative software will be upgraded by Gate-It as part of the installation. The Board approved this request.

Annual Meeting update:

The Annual Meeting will be scheduled as soon a venue can be obtained. Kim Fusselman reported that the Duranes Community Center is not yet taking reservations for meetings. The Board is monitoring this situation and will schedule and announce a meeting date as soon as possible. There will be at least a month's notice given to all homeowners.

Three board positions will be up for election. All interested in serving are encouraged to contact Kim Fusselman or any other board member.

Group Discussion:

Kim Fusselman and the Board reiterated that there was no attempt to fail in transparency. All homeowners are encouraged to ask questions and seek clarification whenever there is a question. Board meetings are open to all. The impact of the pandemic was noted and all are looking forward to more participation in board meetings. The Old Town substation is once again allowing meetings after "regular" business hours. Monthly board meetings will be held there in the future.

In light of the barrage of emails that were sent to all residents, a portion of the meeting was spent clarifying issues and concerns raised.

- For \$33,200 annually, The Gardens HOA currently contracts with Desert Paradise Landscapers for landscaping and general community maintenance. In addition, \$3500 is budgeted for landscape supplies (fertilizers, pre-emergent herbicides deemed safe for people and pets, supplies to keep the irrigation system working well, shrub and tree *replacements* etc.). This means that when the irrigation system needs a repair, we pay for the parts, but are not charged additional fees for labor.
- The volunteer HOA Board members approve all landscaping projects prior to any work being done. Several in attendance pointed out that since some projects take several years to complete, new residents are not always aware of the scope of the project or of the approval. A statement about board approval in the June minutes was clarified. Both concerns were noted by the Board.
- The goal of the landscaping project is to maintain the grounds so that this is a safe and attractive area to live. As a result, the property value of each homeowner is positively impacted.
- Supplies such as fertilizer are purchased with an HOA debit card. Receipts are provided for every expense. Dave Herstedt made a box of five years of receipts available for those in attendance to inspect. It also was noted that items such as sprinkler heads are purchased at wholesale. The \$3500 budget is used to complete needed repairs in a timely and cost-effective manner.
- The HOA maintains over 100 trees and shrubs on HOA property.
- In response to a question, it was reported that the shed in the South Common Area belongs to Tom and Marlo Maxson.
- At no time has a Bobcat been rented by the HOA.
- The gravel road parallel to the irrigation ditch was widened and leveled. The goal was that the road be safer and stronger. This project, including the railings, the landscaping stone wall, etc. occurred over a 4-year period. Since 2018, these items have been purchased:
Lumber & hardware: \$724.00; Auger rental: \$223.30; Railroad ties: \$1260.00; Gravel: \$435.21; Steel edging: \$480.00 (some used elsewhere on HOA maintained areas). Donated items include: 11 Railroad ties valued at \$20 each (\$220); approximately 30 tons of fill dirt valued at \$1,050; 137 landscape bricks valued at \$500 and 7 tons of pea gravel valued at \$1200. The

partnership of the owner of 2800 Aloysia is deeply appreciated and ensured that this project went as well as it did.

- The trees planted in the South Common Area behind and adjacent to 2800 Aloysia were planted by the previous owners, Dan and Tiffany Morgan. The Morgans paid for the trees, paid for them to be planted and extended their drip irrigation to the trees.
- Prior to the work on the road to the South Common Area, there was not a walking path at that location. The gravel roads of each side of the street looked the same. The wall, built by our landscapers, was created to avoid putting a large amount of dirt against the wall at the 2800 Aloysia residence as that wall was not created as a retaining wall. Also, the space created between the walls allowed the railroad tie wall to be constructed and stepped with the fill dirt compacted. Of importance is that this space allows for repair to either wall, should that be needed.
- The Middle Rio Grande Conservancy District (MRGCD) uses the roads along the ditch to cut weeds in the ditch. The MRGCD does not maintain the roads. Dave Herstedt has cultivated a productive working relationship with MRGCD Supervisor, Mike Gonzales. The HOA owns the land where the road is located. The MRGCD has the right of easement so they can maintain the ditch.
- In years past, a number of residents donated amounts up to \$1000 to cover the cost of the original 50+ trees and shrubs planted in the North Common Area, the "Postage Stamp" area and the common area along Laguna Seca. None of the donors claim ownership to any of the common area land.
- The owner of 2800 Aloysia did not try to usurp land or ask to be given preferential treatment. While the homeowners made improvements to their lot during this time period, that project was not related to the improvements to the road to the South Common Area or to the South Common Area itself.
- Many noted the ill-will and harm caused by the emails. In order to keep our neighborhood an enjoyable place to live, we need to work together to solve those issues that arise. All who serve are volunteers. The Board is elected by the community to do what is best for the community as a whole. Face to face communication or a telephone call is the best way for us to work together to clear up issues.

The meeting adjourned at 7:50 p.m.

Respectfully submitted,
Julia Clarke, volunteer scribe

The Gardens HOA Treasure Report
July
2021 Meeting

Bank Accounts (as of 07/10/2021):

Checking	\$28,234.56	
Landscape Checking	\$3,321.75	
Undeposited Funds	\$2,333.33	<u>\$33,889.64</u>
Operating Fund		
Savings (Road Reserve)	\$61,873.05	<u>\$61,873.05</u>
Road Reserve		
		<u>\$95,762.69</u>
Total All Accounts		

Significant Expenditures:

Moved \$5,000 from checking to Road Reserve savings account

Upcoming large expenditures:

Notes:

Landscape supplies expense thru June 30, 2021 = \$778.25. Landscape maintenance has \$3,500.00 for the year discretionary spending authority, there is a separate account for these funds and a bank debit card for charging purchases.

Attached to this report is the 2021 budget approved by the Board during the Covid shutdown, the second column is expenses thru June 30, 2021, the second quarter, taken directly from the profit and loss report prepared by our bookkeeper.

In order to display the budget I had to scan to a PDF and insert into this word document, some formatting was done automatically by Word.

Gardens On The Rio Grande HOA				
2021 Budget				
		2021	Actual ⁴	
Ordinary Income/Expense				
Income				
4010 - Association Fees		59,000.00	31,009.00	
4020 - Gate Opener Fees		200.00	195.00	
4150 - Special Assessment		0.00		
4150 - Late Fee Assessment		50.00	50.00	
Total Income		59,250.00	31,254.00	
Expense				
6120 - Bank Service Charges				
6165 - Gate			350.59	
Remitters				
6170 - Insurance		2,000.00	2,461.00	
6200 - Licenses and Permits		45.00	10.00	
6330 - Assoc Maintenance & Repair				
6332 - Gate Maintenance		2,500.00	420.71	
6334 - Landscape Mtc. Desert Paradise ²		33,200.00	16,538.34	
6335 - Landscape Supplies		3,500.00	778.25	
6336 - Road Maintenance		18,200.00	18,295.29	
6337 - Road Reserve ¹		5,000.00	5,000.00	
6341 - Sprinkler System Maintenance				
6342 - Tree Maintenance				
Total 6330 - Assoc Maint. & Repair		64,445.00	41,032.59	
6410 - Meeting & Social Expense				
6415 - Annual Meeting		50.00		
6420 - Neighborhood Meetings/Social				
Total 6410 - Meeting & Social Expense		50.00	0.00	
6452 - Printing and Reproduction		0.00	77.83	
6456 - Supplies		0.00		
6450 - Office Expense - Other				
Total 6450 - Office Expense		0.00	77.83	
6480 - Professional Fees				
6490 - Accounting/Bookkeeping		1,200.00	474.66	
6491 - Legal fees		0.00		
Total 6480 - Professional Fees		1,200.00	474.66	
6550 - Utilities				
6570 - Gas and Electric		2,500.00	932.87	

6575 - Telephone		1,100.00	598.48
Total 6550 - Utilities		3,600.00	1,531.35
6820 - Taxes and Fees			
6830 - Federal		0.00	266.00
6860 - State		50.00	50.00
Total 6820 - Taxes and Fees		50.00	316.00
Total Expense		69,345.00	46,254.02
Net Ordinary Income		(10,095.00)	(15,000.02)
Other Income/Expense			
Other Income			
7010 - Interest Income		5.00	2.82
7500 - Insurance Proceeds		0.00	
Total Other Income		5.00	2.82
Other Expense			
8500 - Gate Upgrade		0.00	
9900 - NSF			
Check			
Total Other Expense		0.00	
Net Other Income		5.00	2.82
HOA Net Income ³		(10,090.00)	(14,997.20)
Notes:			
¹ \$5000/Year deposited into long term road mtc. reserve account.			
² Contract Fees for Desert Paradise Two full days work per week (Salaried work)			
³ Shows \$5,000 less than Profit & Loss report because moving \$5,000 into road reserve which can only be used for long term heavy road maintenance/replacement			
⁴ Data taken from quarterly profit and loss reports from the HOA Bookkeeper			
(Data is current as of the end of previous quarter)			

The Garden's on the Rio Grande -- July 12, 2021 HOA Board Meeting
Landscape Report for June, 2021 reporting period

June 2021: All landscape duties were performed as required. Some specific items:

Grass cutting & edges trimmed: 6/10; 6/18; 6/24.

Fertilizer application: Helena 16-8-8 (NPX) fertilizer applied to all plants on LSL.

Debris removal: Entrances Mountain & Manhattan, Postal areas, tree branches 6/3; 6/4; Postal areas; SCA; Ditch Banks, Entrance gates 6/17.

Herbicide application: Spurge spot sprayed on tough weeds in grass areas of NCA & SCA -- 8 gallons of herbicide mix applied 6/25/2. Black medic, bind weed, chic weed thrive in hard compacted soil -- we have a great amount of compacted soil. Those weeds indication a problem soil & Aeration is needed.

Irrigation System: Adjusted some sprinkler & adjusted controller to extra time per zone 6/24.

Tree & bush pruning: Honey Suckle bushes at NCA wellhead 6/24. Also numerous trees pruned throughout the PS, NCA, SCA, LSL 6/10 & 6/11

There are 8 Ongoing Landscape projects planned for this year -- 2021

- * Complete the 16' remaining in the guardrail system to the SCA & insure restoration of the damaged entrance going down into the lower area.
- * Plant new tree to replace tree that will be removed at the downhill entrance to SCA
- * Install new Honey Suckle bushes at NCA well head enclosures to replace those that are dying
- * Repair sink hole in the SCA (it may be a broken irrigation pipe that is causing the sinkhole)
- * New wood chips for NCA
- * Repaint the yellow stop line at MTN gate every 2-3 months or as needed.
- * Repair the road damage at the east end curve

J & E Tree Service Bids June 28, 2021

Trim and thin the trees along LSL	\$1,000.00
Remove leaning sick Elm in SCA	\$ 400.00
Remove the 2 giant Cottonwood logs SCA	\$ 400.00
	\$1,800.00