

Sierra Crest Homeowners Association, Inc.

Professionally Managed by:

DANA Properties

www.danaproperties.com

(915) 581-0900

6201 Escondido Drive – Main Office

El Paso TX 79912-1947

Annual Members Meeting

6:00pm-8:00pm, Tuesday December 12, 2023

Location: Hilton Garden Inn, 111 W. University Ave., El Paso TX 79902

The Sierra Crest Board of Directors has prepared this ballot as a way to vote on items that will be presented at the 2023 Annual General Meeting.

Ways to Vote: According to Texas Law Section 209.00592 there are several ways to cast your vote.

Sec. 209.00592. VOTING; QUORUM. (a) Subject to Subsection (a-1), the voting rights of an owner may be cast or given:

- (1) in person or by proxy at a meeting of the property owners' association;
- (2) by absentee ballot in accordance with this section;
- (3) by electronic ballot in accordance with this section; or
- (4) by any method of representative or delegated voting provided by a dedicatory instrument.

How to Submit Your Vote: Please file your ballot one of the following ways:

- 1.) **At the Meeting:** With the Sierra Crest HOA Secretary in person or via proxy at the meeting per Bylaws Article V, Section 3 and 8.

[SCHOA By-Laws updated Oct 2021.pdf \(wsimg.com\)](#)

If you choose to cast your vote via proxy, please sign the Proxy form that accompanies this letter and hand your Proxy form to the person you have appointed to be your representative at the meeting.

2. **Absentee Ballot:** You may also submit your absentee ballot to Dana Properties at

6201 Escondido Drive – Main Office

El Paso TX 79912-1947

If you will be casting your ballot at Dana Properties, the deadline is 4:00pm on December 12, 2023 to have enough time to bring it to the meeting which begins at 6:00pm.

3. **Electronically:** You can manually fill out this ballot and email it to board@sierra-crest.org. You will also receive a PDF form you can fill out electronically with your choices that can be signed electronically via your cellphone or computer. The deadline for electronic voting will be 4:00pm on December 12, 2023 to have time to print it and bring it to the meeting.

Proposal to Amend the Sierra Crest Bylaws

The Board is proposing to amend the current Declaration and Bylaws so as to achieve the following:

- 1.) Reduce the number of Board members from 7 to 5 starting with the 2024 term.
- 2.) This will make it easier to establish quorum at Board meetings and transact business.
- 3.) Require Board members to actively participate or else ask them to allow someone else the opportunity to do so if they are absent or inactive constantly.

How Voting Will Work: Each amendment stands alone. This means that each one has to stand on its own merits and whether it passes or not will not impact the ability to pass and implement the others. If an amendment fails to gather the necessary votes to pass the first time, it will be subject to further discussion the day of the election, in an effort to amend the language or terms to see if enough consensus can be achieved to pass it. If it still fails to get the required votes to pass, then it will be left "as is" for the time being.

Required Votes to Pass: The amendments to the Declaration require 67% of the votes available to pass. There are 110 lots that pay dues. This means these will require 74 YES votes to pass.

The amendments to the Bylaws require 50.1% of the votes available to pass. There are 110 lots that pay dues. This means these will require 56 YES votes to pass.

With these purposes in mind, the proposed amendments are presented in the following pages.

BALLOT

PROPOSED AMENDMENTS TO SIERRA CREST BY-LAWS

| No. | Old Existing Language | New Proposed Language | NO | YES |
|-----|--|---|----|-----|
| 1. | <p style="text-align: center;"><u>Article VI.</u> <u>Board of Directors</u></p> <p><u>Section 1. Number and Qualification.</u> (Amended February 25, 2014.) The affairs of the Association shall be governed by a Board of Directors composed of seven five Members of the Association. The Board is responsible for discharging the functions of the Association as set forth in the Declaration, these By-Laws, and applicable law.</p> | <p style="text-align: center;"><u>Article VI.</u> <u>Board of Directors</u></p> <p><u>Section 1. Number and Qualification.</u> (Amended February 25, 2014.) The affairs of the Association shall be governed by a Board of Directors composed of five Members of the Association. The Board is responsible for discharging the functions of the Association as set forth in the Declaration, these By-Laws, and applicable law.</p> | | |
| No. | Old Existing Language | New Proposed Language | NO | YES |
| 2. | <p><u>Section 2. Election and Term of Office.</u> (Amended February 25, 2014.) Members shall elect Directors to serve two-year, staggered terms at the annual meeting specified in Article IV, Section 2.</p> <p>(a) The Membership shall elect three Directors in odd-numbered years and four two in even-numbered years, unless a vacancy must be filled as stated in Section 3 below.</p> <p>(b) Directors shall be elected by plurality of the votes cast at the annual meeting of the Members of the Association.</p> <p>(c) The term of office for newly elected Directors commences on January 1 and for outgoing Directors ends on December 31 of the second year.</p> | <p><u>Section 2. Election and Term of Office.</u> (Amended February 25, 2014.) Members shall elect Directors to serve two-year, staggered terms at the annual meeting specified in Article IV, Section 2.</p> <p>(a) The Membership shall elect three Directors in odd-numbered years and two in even-numbered years, unless a vacancy must be filled as stated in Section 3 below.</p> <p>(b) Directors shall be elected by plurality of the votes cast at the annual meeting of the Members of the Association.</p> <p>(c) The term of office for newly elected Directors commences on January 1 and for outgoing Directors ends on December 31 of the second year.</p> | | |

BALLOT

Election of Board of Directors

The Board of Directors is composed of members serving staggered two-year terms. There are 4 Directors currently serving whose term expires in 2024 – Alex Barron, Adrian Garcia, Jorge Sanchez and Ruth Ojeda. The terms of 3 of the Directors - John Gates, John Scott and Jesus Carrillo - expire at the end of 2023. Accordingly, if the amendment above fails to pass and stays in place as is, we will be electing 3 Directors this year to fill the 7 positions. However, if it passes, with 51% of the total membership approving of the change, then we will be electing 1 Director this year instead of 3 to fill the 5 positions.

Nominated by Members

____ Georgina Ponce (12 Sierra Crest)

____ John Gates (20 Silent Crest)

____ Joshua Ladd (20 Bronze Crest)

____ Jesus Carrillo (15 Lone Crest)

____ Margarita Villalobos (21 Silent Crest)

____ Shemuwel Baruwk (15 Garnet Crest)

Nominated from the Floor or Write-In

Member Information:

Name of the member submitting this ballot: _____

Address(es) Owned: _____

Account No(s): _____

Signature: _____ Date: _____

Please return to Sierra Crest – c/o DANA Properties, 6201 Escondido Drive, El Paso TX 79912-1947. You can also email the form to board@sierra-crest.org or sheldon@danaproperties.com or leave the form at the Sierra Crest Guardhouse.

NOTE: If you plan to vote absentee the deadline to submit your vote is 4:00pm so there is time to take it to the meeting.

Vote to Approve 2024 Budget and Raise Monthly Dues to \$280/mo

Per the new Declaration adopted September 12, 2023 Section E-10, the members are required to adopt a balanced budget for the upcoming year. The Board is required to present a proposed budget for the members to approve at the Annual meeting. This budget requires two thirds vote of the members present or represented by absentee ballot or proxy at the meeting to pass. If the members do NOT approve the proposed budget, the Members will have to find another way to balance the budget at the meeting.

Due to the significant increase in inflation over the last year, the Board is proposing the following budget for 2024 which consists of \$330,000. In order to meet this expense, to **have a balanced budget would require increasing the monthly dues from \$240/mo to \$280/mo**. If an Owner pays the full year upfront before January 31, 2024, they will be entitled to a 10% discount. Assuming all members paid in advance, we would meet this budget. Assuming half the members paid in advance and half paid their dues on a monthly basis, we project to have a surplus of \$21,000.

I vote to approve the 2024 budget as shown below. NO _____ YES _____

I vote to increase the dues from \$240/mo to \$280/mo. NO _____ YES _____

Sierra Crest HOA

| | | | |
|-----------------|-----------|-----------|-----------|
| \$ / Mo | \$ 210.00 | \$ 240.00 | \$ 280.00 |
| No. Dues Paying | 108 | 110 | 110 |

INCOME STATEMENT

| | 2022 | 2023 | 2024E |
|--------------------------|---------------|---------------|---------------|
| REVENUES | | | |
| REGULAR REVENUES | \$ 264,998.80 | \$ 315,743.68 | \$ 351,120.00 |
| Dues Not Collected | | | |
| Previous Dues Collected | | | |
| Lot Sale | \$ - | \$ 11,242.50 | \$ - |
| TOTAL REVENUES | \$ 264,998.80 | \$ 326,986.18 | \$ 351,120.00 |
| EXPENSES | | | |
| SECURITY GUARDS | \$ 149,632.75 | \$ 152,167.30 | \$ 154,760.00 |
| Security Guard Service | \$ 145,905.66 | \$ 148,977.70 | \$ 150,000.00 |
| Telephone | \$ 339.89 | \$ 362.70 | \$ 500.00 |
| Guardhouse Repairs | \$ 35.18 | \$ 185.00 | \$ 1,260.00 |
| Guardhouse Supplies | \$ 137.81 | \$ 1,154.38 | \$ 900.00 |
| Gate Repairs | \$ 1,896.59 | \$ - | \$ 600.00 |
| Electricity | \$ 1,317.62 | \$ 1,487.52 | \$ 1,500.00 |
| Bonuses | \$ - | \$ - | \$ - |
| LANDSCAPING | \$ 115,605.68 | \$ 122,346.99 | \$ 146,440.00 |
| Water | \$ 65,579.10 | \$ 70,291.96 | \$ 90,000.00 |
| Landscape Service | \$ 42,213.09 | \$ 41,832.06 | \$ 43,000.00 |
| Landscape Maintenance | \$ - | \$ 6,323.30 | \$ 7,200.00 |
| Sprinkler Repair | \$ 2,185.54 | \$ 1,323.32 | \$ 900.00 |
| Fertilization/Pesticides | \$ 2,557.95 | \$ 2,576.35 | \$ 2,700.00 |
| Park Improvements | \$ 2,450.00 | \$ - | \$ 300.00 |
| Plant Replacement | \$ - | \$ - | \$ 1,200.00 |
| Rock Wall Repairs | \$ 620.00 | \$ - | \$ 600.00 |
| Street Maintenance | \$ - | \$ - | \$ 300.00 |
| Signs | \$ - | \$ - | \$ 240.00 |

| | 2022 | 2023 | 2024E |
|--------------------------------|-----------------------|----------------------|----------------------|
| ADMINISTRATION | \$ 28,706.74 | \$ 35,919.63 | \$ 28,800.00 |
| Management Contract | \$ 7,200.00 | \$ 8,070.00 | \$ 7,800.00 |
| Legal Fees | \$ 6,076.86 | \$ 14,214.37 | \$ 6,000.00 |
| Insurance | \$ 7,464.00 | \$ 1,143.57 | \$ 3,750.00 |
| Property Taxes | \$ - | \$ 9,225.04 | \$ 1,700.00 |
| Office Supplies | \$ 1,398.44 | \$ 1,174.36 | \$ 1,200.00 |
| Accounting (Audit) | \$ 5,600.00 | \$ - | \$ 1,500.00 |
| Postage | \$ 559.44 | \$ 509.84 | \$ 800.00 |
| Annual Meeting Expense | \$ - | \$ 1,060.54 | \$ 750.00 |
| Internet & Website | | \$ 221.91 | \$ 300.00 |
| Accounting Software | \$ 300.00 | \$ 300.00 | \$ - |
| Credit Bureau Reporting | \$ 108.00 | \$ - | \$ - |
| Miscellaneous | \$ - | \$ - | \$ 5,000.00 |
| TOTAL EXPENSES | \$ 293,945.17 | \$ 310,433.92 | \$ 330,000.00 |
| OPERATING INCOME (LOSS) | \$ (28,946.37) | \$ 5,309.76 | \$ 21,120.00 |
| NET INCOME / (LOSS) | \$ (28,946.37) | \$ 16,552.26 | \$ 21,120.00 |

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PROXY

Annual Members Meeting

6:00pm-8:00pm, Tuesday December 12, 2023

Location: Hilton Garden Inn, 111 W. University Ave., El Paso TX 79902

If you are not attending the Annual Members Meeting you may designate a proxy to represent you – the proxy does not have to be a member of SCHOA. You have options:

1. You may empower the proxy to vote for any measures, amendments to declaration or bylaws, or other business arising during the meeting.

OR

2. You may also cast a blank absentee ballot solely to register your presence for establishing a quorum.

Proxy: The undersigned member, revoking all proxies made by me heretofore made, hereby appoints _____ as his/her true and lawful proxy with full powers of substitution, as restricted below, to represent and cast votes as necessary on all matters raised at the special meeting of the members, including the election and removal of members to the Board of Directors of the Association, or its various Committees.

This proxy shall be valid for 15 days after the date of signature.

Name of the member assigning this proxy: _____

Address: _____

Account No: _____

Signature: _____ Date: _____

Please file with the: Sierra Crest HOA Secretary at Meeting per Bylaws Article V, Section 3 and 8.

[SCHOA By-Laws updated Oct 2021.pdf \(wsimg.com\)](#)

ZOOM MEETING DETAILS

Annual Members Meeting

If you would like to join by zoom please register below

https://us06web.zoom.us/meeting/register/tZUkduyurj8uE9Lz_fZTORkAB-ANS2UPNsC9

Time: 6:00pm MST

Meeting ID: 819 1560 4496

Passcode SCHOA