



Coyote Hills HOA Board of Directors Meeting

The meeting of the Coyote Hills Board of Directors was held on Thursday, January 4, 2024 at 7 pm at the Kendall Witt's residence.

Board Members Attending:

Kendall Witt – President
Linda Birchem – Vice President
Casey McCutcheon – Secretary
Jackie Tugwell –Treasurer
Gary Coyle – Director

Residents Attending:

Joel Birchem
Shawn Tugwell
Shawn Kronebusch
Chris Medina
Shane Jones
Shane and Jalene Hart
Keith and Nancy Reinhard

1. The meeting was called to order at 7:00 PM.

2. Old Business:

- a. The minutes of October 12, 2023 were approved.
- b. Status/update on the community well/infrastructure purchase, etc.

(1) Loan status update. Letters sent out to the HOA homeowners for voting on the Special Assessment and The Plan Agreement Coyote Hills HOA Water System Special Assessment.

(a) Special Assessment voting results of all the ballots submitted:

Total ballots cast: 29
For: 24
Against: 5

The Special Assessment was approved.

(b) The Plan Agreement Coyote Hills HOA Water System Special Assessment. As mentioned in the document, the homeowner(s) must decide their payment option and submit the completed and signed document. Those homeowners making a single payment should submit their completed, signed document and check by January 30, 2024. Those homeowners desiring monthly payments should complete and sign their document and mail in their first monthly payment check. Their documents should be mailed in by January 30, 2024. The homeowners will receive their HOA signed Plan Agreement Coyote Hills HOA Water System Special Assessment copy back.

(2) Questions were asked by the residents concerning prepayment options.

(a) Can I pay part of the loan up front and make monthly payments? Yes, you can. Any amount may be paid and the remaining principal and interest (P&I) will be adjusted accordingly.

(b) If I'm making monthly payments and want to pay off the rest of the loan debt, can I? Yes, you can. You may pay off the remaining principal balance without an interest penalty at any time.

(3) Questions were asked by the residents concerning the loan and sale of their home.

(a) If I sell my home, what happens to the loan? The loan must be paid off before or at the sale of the home.

(b) The loan debt cannot be transferred but the water rights are to the new owner.

(4) Are there any other expected legal fees in reference to the Well purchase? There may be some but the amount will be determined based upon the issue.

(5) Questions were asked by the residents concerning well operation/maintenance/repairs.

(a) This is an ongoing process for the HOA Board. The current certified operator is expected to stay on to monitor, conduct the required state testing of the community wells, and read the water meters. Fire Department testing and water system flushing frequency was questioned and will be looked into. The HOA Board will also review any other requirements pertaining to the well operation.

(b) Regarding repairs. The HOA Board expects future repairs may be necessary and is looking to build a reserve fund to cover those repairs. This is expected of any system - new or old.

(c) Regarding the HOA water service fee/water charge. No change is expected for the first year as the HOA Board wants to build a history as to what the actual costs are. After the first year, a determination will be made as to what the service fee/water charge will be.

(d) Water system power and backup power. Two well pumps are on two different power grid systems so that at least one pump remains operational. As noted in the past the well pumps have had power failures and water pressure lost. Once a sufficient reserve fund of \$25,000 is amassed, anticipated by the end of CY 2024, then the HOA Board will consider looking at some type of power backup system. The reserve fund will also be available/used for any well system infrastructure repairs.

(e) Funds. All monies received for the Coyote Hills HOA Water will go into a separate account and be available only to the Coyote Hills HOA Water. The Coyote Hills HOA homeowner annual dues are a separate account and are maintained as such. There will be no commingling of the two funds.

c. HOA annual dues increase.

(1) Proposed dues increase in the amount of \$30.00 raising the total annual HOA dues from \$300.00 to \$330.00 per year. Approved.

(2) Combined HOA dues invoice and HOA Directory information letter to be sent out to the HOA homeowners was approved.

New Business:

1. Budget.

a. Financial budget status ending for CY 2023.

Beginning balance, 1 Jan 2023:	\$10,507.02
Total income from resident dues and violation payments:	\$10,850.00
Total expenses:	\$13,735.52
SOS Registration	\$10.00
Legal	\$3,181.50
Insurance	\$697.00
PO Box renewal	\$332.00
Waste Management	\$9515.02
Ending balance, 31 Dec 2023:	\$7,621.50

b. Financial budget status and forecast for CY 2024.

Beginning balance, 1 Jan 2024:	\$7,621.50
Total income from resident dues @ \$330:	\$10,560.00
Total expenses:	\$12,005.00

SOS Registration	\$10.00	
Legal fees	\$1,000.00	
Office expenses	\$75.00	
Insurance	\$725.00	
PO Box renewal	\$350.00	
Waste Management	\$9,845.00	
Estimated ending balance, 31 Dec 2024:	\$6176.50	

b. Update on home sales. No update.

2. Other business.

a. Well Purchase oversight. Discussion on the need for oversight on the Coyote Hills HOA water program.

(1) Director appointment. The Board is considering the need for three (3) directors that would serve under a special appointment specifically for overseeing the water system and respond to any well/pump situations. Their responsibilities would be further refined as we go forward and gain experience. A letter will be going out to the HOA community seeking volunteers. Several meeting attendees have expressed an interest. Knowledge of well and water systems is beneficial.

(2) Payment monitoring. Ensuring accurate loan payments and monitoring of monthly water payments was discussed. One of the Board members has developed a loan payment calculator that can be used to track loan payment status and calculate the final loan payment for those homeowners who wish to pay off their loan early. Additionally, this program can be tailored to track the individual homeowner monthly HOA Water fee/service charge for billing purposes. The same HOA Board member has volunteered to take on this part of the program.

Coyote Hills HOA Board Meeting adjourned at 8:10 PM.
Meetings are open to all residents who wish to attend