MINUTES OF CY2021 ANNUAL BOARD MEETING OF DIRECTORS
Rio Oeste Homeowners Association
August 10, 2021

The Annual Board Meeting of the Directors of Rio Oeste Homeowners Association was conducted via Zoom on August 10, 2021. The meeting agenda was provided to all homeowners on August 1, 2021 via email, posted on www.RioOeste.com, and provided on the community mailbox. A copy of the agenda will be filed with the minutes of the meeting.

The following directors participated to conduct ROHOA Business: Jose Munoz, President; Ted Nelson, Vice President; Gilbert Sanchez, Treasurer; Donna and Paul Chavez, Director; and Lindsey VanNess, Secretary.

The following homeowners were present: Kevin Pham, Virginia Ortiz, MaryKay and Frank Salazar, Blanca Areallno, Judy and Greg Aragon, Zuheir Darugar, and Helen VanNess.

1. The President called the meeting to Order at 6:01pm. The President stated that quorum of the Directors and homeowners was present, and that the meeting, having been duly convened, could transact business.

2. The President opened with introductions of the members, the board, and the new homeowner Helen VanNess.

3. The President asked if there are any corrections to the May 2021 Special Meeting minutes; there were no corrections offered. The Treasurer made the motion to approve the 2021 May Special Meeting Minutes, the Vice President seconded, and passed by the Board unanimously.

4. The President presented a Resolution to move the Board Nominations for the Treasurer and Director from the annual meeting to the fourth quarter to allow time for the nominating committee to seek interested candidates. The Treasurer and Director will remain on the Board until their successor is chosen or they are reappointed. President request motion to approve of the resolution, the Director motioned to approve the Resolution, the Secretary seconded.

5. The President asked for a motion to reinstate Gilbert Sanchez as Treasurer and Donna Chavez as Director to stay on the board until their successor is chosen or they are reappointed. The Vice President motions to approve, President seconds, Board unanimously approves.

6. The President asks for any volunteers to serve on the nominating committee. Blanca Arellano volunteers. The Secretary will provide the nominating committee handbook to the President who will confer with Ms. Arellano.

7. The President thanked the Director for providing insurance quotes to ensure the current coverage was competitive and provided the necessary coverage. The current coverage is

with State Farm for $859/annually. The quote is from Sax at $1400/annually. The differences between the two is $3M aggregate (Sax) vs $2M (SF), and Sax provides increase landscaping insurance. President motions to approve the new SAX insurance policy. The Secretary dissents as it is not clear what the increased cost from Sax provides. There is a discussion of what is thought to be covered by each policy, whether a Fidelity Bond is included in Sax's provisions, etc. It is decided that additional information is required to make an informed decision, and consideration also needs to be given to the purchase of a Fidelity Bond (~$180/year) in accordance with the ROHOA By-Laws. (A Fidelity Bond provides insurance for monetary theft by Directors and Officers.) The Secretary motions to continue the existing State Farm policy, add the Fidelity Bond, and provide additional information at the next Board meeting, the motion is seconded by the Treasurer, and approved unanimously be the Board.

8. The Treasurer reported the year-to-date financials. All homeowners have paid, with three with overpayments that will be credited next billing cycle.

9. In accordance with SB150, a financial audit, review or compilation must be done by an independent Certified Public Accountant (CPA). The ROHOA Treasurer cannot prepare the report because he is not independent from the records. The Director motioned to seek an independent CPA to prepare a compilation for CY2022, and the Vice President seconds.

10. The CY2022 budget will be developed using trends over the last decade. One goal is to maintain $30K in savings. The President sough input on items to consider in the CY22 budget: lock on gate, social event, speed bumps, welcoming for new neighbors, front yard weed spray, beautification of entry area, gate for the community. Now that the Board has the ideas, the Board will determine the implications, ensure consistency with the By Laws and Covenants, and what can be supported in CY 2022.

11. The Vice President discussed challenges with the current landscape company, meeting with the YellowStone account manager, and the changes to the contract to better align with Rio Oeste needs. There was also discussion about replacing plants in the entry way. The Vice President and President are soliciting quotes from other landscape companies, but most companies are not accepting new customers or do not respond to inquiry. Outcome of their inquiries will be presented during the Q4 meeting.

12. The President solicited interest from members to participate in community committees (Architecture, Community, Finance and Covenants) to give members the opportunity to be involved in the amount of time they have and distributed leadership throughout our community so that there are not 4 people making the decisions for all homes.
    - Nominating – Blanca Arellano; Architecture – Rick VanNess; Finance and Covenant Committee – Donna Chavez; Community/Neighborhood Engagement: MaryKay Salazar, Judy Ortiz, and Helen VanNess.

14. The meeting was adjourned at 7:43p

15. On the motions duly made and seconded, and after due deliberation, the board adopted the following resolutions:

- Approved May 2021 Special Meeting Minutes
- Approved Resolution to move the election from the third quarter annual meeting to the fourth quarter meeting in 2021.
- Approved to reinstate Gilbert Sanchez as Treasurer and Donna Chavez as Director until their successor is chosen or they are reappointed.
- Approved to pay the existing State Farm policy and add the Fidelity Bond.

The undersigned hereby certifies that she is the duly elected and qualified Secretary and the custodian of the books and records of Rio Oeste Homeowners Association, a corporation duly formed pursuant to the laws of the state of New Mexico, and that the foregoing is a true record the resolutions duly adopted at a meeting of the Board of Directors and that said meeting was held in accordance with the state law and the By-laws of Rio Oeste Homeowners Association on August 10, 2021 and said resolutions are now in full force and effect without modifications or rescission.

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Lindsey VanNess, Secretary
Rio Oeste Homeowners Association