

Article Five

Dues, Assessments, Fees and Other Fiscal Matters

Section One Dues,

The *Corrected Declaration of Protective Covenants* [Restrictions] Article XV Subsections C and D in part state;

“The Association shall have all the powers that are to be set out in its Articles of Incorporation and By-Laws and all other powers that belong to it by operation of law, including (but not limited to) the power to assess and collect from every member of the Association a uniform monthly charge per single family residential lot within the Subdivision. The amount of such charge is to be determined by the Board of Directors of the Association for the purposes for which the Association is formed,”

“All charges are payable annually by the member to the Association on or before the first day of May of each year, for the ensuing year.”

“Every person who shall become the legal or equitable owner of any lot in the Subdivision by any means, is, by the act of acquiring such title, or by the act of contracting to acquire such title, held to have agreed to pay the Association all charges that the Association shall make in accordance with these restrictions. If such payment is not made when due, it shall bear interest from the due date at the rate of fifteen (15) percent per annum. Until paid, such charges together with costs and reasonable attorney’s fees required to enforce payment thereof, shall constitute a perpetual lien on and against the property charged. The Association may publish the names of a delinquent member and may file notice that it is the owner of a lien to secure payment of the unpaid charge plus costs and reasonable attorney’s fees and may foreclose the lien in accordance with the laws of the State of New Mexico.”

“The fund accumulated as a result of the charges levied by the Association shall be used exclusively for the purpose of promoting the recreation, health, safety and welfare of the members of the Association and in particular, the maintenance of the roads and lake area.”

The charges (Dues) shall first be allocated for the recurring expenses needed to accomplish the purposes for which the Association was created, and second, to establish funds to offset the cost of extraordinary expenditures. These funds are to include and be prioritized as; 1. Cash Reserves, 2. Equipment Replacement and 3. General Fund. The amount of monies to be earmarked for these funds shall be included in the yearly budget. Reasonable caps may be placed on the funds.

Any increase in the amount of the charges (Dues) must be approved by a at least a 6 -1 vote of a full 7 member HLPOA Board of Directors.

Dues may not be billed until after an approved yearly budget, along with its statement of fees, is distributed to the membership. Dues are encouraged to be paid within thirty days of billing, however, under no circumstances will the dues be considered late or will penalties be assessed until after the first day of May of the billed year in accordance with the covenants.

Section Two Special Assessments.

Special Assessments may only be proposed for extraordinary expenditures that conform to the purposes for which the Association was formed.

All Special Assessments must be voted on and passed, by a simple majority of the members eligible to vote during the Annual Meeting or at a Special Meeting of the membership called solely to approve or disapprove the special assessment.

Voting shall be by either absentee ballot or by members represented at the meeting either in person, by proxy or passcode/password protected web conferencing. .

Special Assessments will be billed thirty (30) days after they are passed and be due thirty (30) days after the billing date.

If the Special Assessment is not paid by its due date it will be subject to the same penalties as late dues.

Section Three Fees.

There will be a building permit/construction fee charged to the lot owner for new project construction to offset the increased maintenance costs associated with heavy construction equipment using the subdivision roads. Building permit/construction fees will be applied as stated in the *HLPOA Architectural Control Committee – Request for Approval Document*.

These building permit/construction fees will be maintained in a separate fund and used only in addition to budgeted road maintenance monies.

Any changes to the building permit/construction fee must be voted on and approved, by a simple majority of the members eligible to vote, during the Annual Meeting.

Any proposed new Fees, for any purpose, must be approved by a vote of the membership before they can be instituted.

Section Four Other Fiscal Matters.

Not less than thirty five (35) calendar days prior to the start of any fiscal year, the HLPOA Board shall propose and adopt a budget for the Association.

Within thirty (30) calendar days after the adoption of any proposed budget for the Association, the HLPOA Board shall provide a copy of the budget to all the lot owners which can be satisfied by electronic communication and/or posting it to the Hidden Lake Website.

The HLPOA Board shall provide to all lot owners a statement included with a copy of the annual budget listing all fees and fines that may be charged to a lot owner by the Association.

At least quarterly the HLPOA Board will post on the HLPOA web site a financial report that contains a Balance Statement, A breakdown of fund balances, A listing of all non-budgeted expenses, and the *Income & Expense Budget vs. Actual* report.