

LAS CALINAS HOMEOWNERS ASSOCIATION
PROPOSAL BY LAS CALINAS ESTATES HOA AND
LAS CALINAS AMENITIES HOA TO COMBINE HOAs
WITH THE LAS CALINAS HOA
INFORMATION PAPER

1. **PURPOSE.** To provide information regarding a proposal by directors from the Las Calinas Estates Homeowners Association (HOA) and Las Calinas Amenities HOA to combine the Las Calinas HOA (LCHOA) with those two HOAs.

2. **FACTS.**

a. At the last quarterly Las Calinas Amenity HOA meeting, board directors from both the Amenity HOA and Estates HOA initiated a conversation on the topic of uniting all three HOAs—Estates, Las Calinas, Amenities—to gauge interest and discuss if it was even feasible. *(Note: The Las Calinas Amenity and Las Calinas Estates HOAs have no interest in merging only their two HOAs, contending doing so would only create more divide and problems within the community.)*

b. A member of the Las Calinas Amenity HOA then contacted the previous LCHOA board of directors on November 15, 2019 via email proposing the LCHOA consider discussing combining HOAs with both the Las Calinas Estates HOA and the Las Calinas Amenities HOA.

c. The following is a summary of the contended advantages and disadvantages expressed by the Las Calinas Amenities HOA director in that email.

(1) Contended advantages.

(a) Financial savings. Management company expenses could be shared, saving perhaps 30-50%.

(b) Financial flexibility. Currently, each HOA board has its own individual budget. Unification of the boards would allow the combined HOA to spend the funds where they are needed without putting any one board in financial jeopardy.

(c) Reduced complexity. Combining would allow for one annual bill, one annual payment, and single mailings to homeowners throughout the year. There is also a good amount of confusion within the community on why there are multiple boards, committees, covenants, meetings, budgets, etc., as well as to which HOA homeowners belong.

(2) Contended disadvantages. Conversely, there may be reasons why this would be a difficult task or that some homeowners might resist this idea.

(a) Different covenants. In some respects, the Declarations are similar and, in some respects, different. With the guidance of an attorney and homeowner participation, collectively we can work together to find the best compromise for our

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community. In the end, we all want a clean, nice looking, well organized community where our property values are not negatively affected by the condition of other homes or common areas.

(b) Difference in dues amounts. It is reported that the Las Calinas annual dues are \$50 less than the Estates dues. Comments have been made, for example, (1) “The Estates have more common areas” and (2) “Why should ‘we’ pay for ‘them’?” Conceivably, the ‘us’ vs ‘them’ perspective could go away with education or simply by looking at the overall savings.

(c) Board members. Uniting into one board could result in increasing the number of directors to account for the larger combined HOA.

(d) Cost. According to Cindy, another community with a very similar structure recently paid around \$10,000 for a more complicated process.

(e) Change is hard! Again, education and transparent communication is key to making this happen and work.

3. LCHOA BOARD COMMENTS.

a. After the initial contact, the two directors from the previous board replied to the Las Calinas Amenities HOA director in November 2019, expressing their individual misgivings concerning this topic/proposal.

b. The current President, Marty Wilson, believed it necessary to raise the topic in New Business at the last board meeting to apprise the two new directors and bring it to the attention of homeowners in attendance.

c. Determining any suggested financial savings would require hiring a lawyer, and that has been reported to be in excess of \$10,000 per HOA.

d. Difference in dues is reported to be ~\$90 (under investigation). It is important to note the Las Calinas Estates HOA has additional costs we do not have in our HOA, specifically concerning landscaping, ponds maintenance, and electricity. These additional costs would become a shared burden by our HOA, raising LCHOA dues.

e. Additionally, our HOA enjoys timely payment of dues by all 115 homeowners—not the case in the other two HOAs.