



Hiddenbrooke Property Owners Association, Inc.
Board of Directors - Minutes
April 26, 2007

1. **Call to order:** The meeting called to order by Joyce Estes, President at 6:02 pm at the Hiddenbrooke Golf Course Library.
2. **Attendance/Introductions:**
 - a. Board Members present: Joyce Estes, Pam Hargrove, John Jackson, Bob Paedon, David Elias and Fred Self.
 - b. Board Members Absent: Cesar Alegria
 - c. CC&R Manager: Dave Caldwell
 - d. Advisory Board: none.
 - e. Management Company: Eve Franklin
 - f. Guests: Desiree Conley, Valley Management Services.
3. **Approve minutes:** Minor corrections noted. The Board voted to approve the Board Meeting minutes of February 22, 2007 as amended.
4. **Consent Calendar and Approval of Agenda:** All matters are approved under one motion unless requested to be removed for discussion by a Board Member. Any item discussed separately will be voted separately. The Board voted to approve the Consent Calendar and Agenda as follows:
 - a. Bills approved for payment:

Date	Payee	Description	Ck No	Amount
03/22/07	Dave Caldwell	CC&R Management Jan/Feb & Stamps - Paid	10034	490.60
03/22/07	Collins Management	March Services - Paid	10035	\$1,912.00
04/26/07	Collins Management	April Services	10036	1,912.00
04/26/07	Regina Lau	Nominating Committee Expenses - HPOA's ½ share	10038	29.61
04/26/07	Dave Caldwell	CC&R Management March 10.2 hrs.	10039	\$255.00
04/26/07	Collins Management	Homeowner Admin (late) fees paid for 1 st Qtr. 2007	10040	338.00
04/26/07	Joyce Estes	160 copies collection letters \$16.00 Postage fine letters 1.65 5 Binder/inserts 63.43 410 copies f/binders 42.09	10041	123.17
			Total Checks	\$5,060.38

- b. Correspondence Received: None.
- c. Votes Conducted by Email:
 - i. Vote to approve Joyce Estes and one or two other people to interview and select a replacement for Collins Management Company. Change to be effective June 1st. Cost to be equal to or less than what we budgeted which is \$25,000. Approved by email: YES: Estes, Elias, Paedon, Self, Jackson, and Alegria; ABSTAIN: Hargrove.

5. Officer's Reports

- a. President Joyce Estes
 - i. Collection Issues
 - 1. J. Estes reported on discussions with Terrye Davis.
 - 2. J. Estes reported on discussions with Brenda Bennett at Angius & Terry, LLC (ACT). ACT to check on a reduced price for going to a lien, but it is generally almost \$600.00. ACT could consider bundling the homes in groups so we didn't send them all at once. Oliver and Company stressed importance of:
 - a. Getting signed change of address (No specific requirement for providing mailing address information in HPOA CC&Rs.) J. Estes has added requirement to Billing and Collection procedure which is in draft form for October 2007 Neighbors.
 - b. Having a collection policy and treating everyone a like.
 - c. Cautioned against hand delivery of past due notices because of possible disclosure of private information and not treating everyone alike.
 - ii. Sales Activity: J. Estes reported she is continuing to monitor sales for change in homeowners and working on collection issues. Collins Management to follow up on pending sales.
 - iii. Joint Publication of Neighbors: J. Estes reported she had asked HCA to consider making Neighbors a joint publication while they continue to manage it. The HCA Board decided to continue Neighbors as their separate publication, to continue to give us the space we have received this past year, to manage it at a breakeven and not put HPOA logo on the front.
- b. Vice President Bob Paedon - B. Paedon reported he will review Cement Procedures document with D. Elias.
- c. Secretary Fred Self - No report.
- d. Treasurer Pam Hargrove - No report.

6. Management Company - Eve Franklin

- a. Financial Report - \$10,266.72 bank account balance after above checks.
- b. Certificate of Deposit \$20,000 - 13 weeks at 4.90 %. Matured April 25, 2007. The Board voted to approve opening a new CD in the amount of \$10,000.00 at the best interest rate available for a maximum of 12-months.
- c. Financial report for February and March sent to board via email with list of outstanding accounts receivable. Past due statements mailed first week of April were about 107. Statements did NOT include the name of Collins Management or a phone number or web site www.hiddenbrookeonline.com. Copies of all April statements were mailed to J. Estes to be used for follow up on collections/addresses. May statements will include contact information with phone number. Management to forward copies of May statements to J. Estes.
- d. Title Company notification letter sent to Collins 1/21 was faxed to Title Companies week of March 5th and the date of letter was not changed from January 22, 2007. Collins Management has begun to receive calls requesting account information for properties in the sales process.

- e. Certified Mail: Number of invoices sent Certified Mail in addition to regular mail- one in March to Ramish with 5 statements and none in April. The certified mail to Ramish was returned as unclaimed.
- f. Address Updates:
 - i. The following have been returned by post office.

Acct # - Name	Mailing Address
HI1240 - Giang	1240 Wildwing Lane Vallejo, CA 94591 (Roster updated)
HI5059 - Liu	5059 Staghorn Drive Vallejo, CA 94591
HI8198 - Luna	39 Via La Mora American Canyon, CA 94503
HI2627 - Lewis	2627 Feldspar Court Vallejo, CA 94591
HI6130 - Punjani	6130 Ashwell Way Vallejo, CA 94591
HI2232 - Rubang	2232 Bennington Drive Vallejo, CA 94591
HI6335 - Sanchez	6335 Newhaven Lane Vallejo, CA 94591
 - ii. E. Franklin provided status report for A/R on two pending sales provided by J. Estes.
 - 1. HI1823 - Tina Stewart of Performance Real Estate reported the assessment will be paid. A copy of the ledger was faxed.
 - 2. HI2983 - No response to calls left for Audrey Theobald of Century 21. Management will continue to call.

7. Committee Reports

- a. **HARC** - David Elias - March 15, 2007 meeting was attended by J. Estes and D. Elias. April 19, 2007 meeting was attended by J. Estes.

At the March meeting HARC discussed violations and reviewed Tracking Report, made selection of paint stain and published article appeared in April issue of Neighbors to explain the choices. Committee discussed the Perez Presentation to the Planning Commission on March 19th. D. Elias spoke on behalf of HARC, J. Clark submitted a written letter. The home was approved by the Planning Commission, but has since been appealed by a HB resident to the Vallejo City Council.

HARC April meeting was generally filled with administrative items. The Cement issue was tabled until the next HARC meeting as D. Egan and D. Elias were not in attendance. No tracking report handed out.

- b. **HARC CC&R Verification Committee** - J. Estes
Verification Tracking Report was provided. Last verification was done April 21st, J. Estes participated. Board Members to let D. Caldwell know if they want to participate on a verification inspection.
- c. **Garbage Can Notice** - A copy of a notice reminding homeowners to store garbage and recycle bins behind fences was provided. Volunteers will leave them on garbage bins left on the street after garbage pickup.
- d. **Neighbors** - J. Estes - May 15th is the deadline for June 1st issue to contain Proxy/Ballot.
- e. **Web Site** - J. Estes -All known changes have been made.
- f. **Nominating Committee** - Pricilla Silvey. Candidates for 07-08 Board are: David Elias (incumbent), Margarita Fernandez, Ian Forsyth, and Laura Kazaglis. Their profiles appeared in the April issue of Neighbors.

8. Old Business

- a. **Cement Discussion:** D. Elias and J. Estes - Draft copy of Cement Procedures was provided. D. Elias, B. Paedon, P. Hargrove, F. Self & J. Estes and members of HARC to review and suggest changes. Recommends the Board ask owners with cement fines to submit plans to HARC for approval of their additional cement/hardscape before they can request a Board Hearing. CC&R Manager would continue to send Courtesy Letter and Final Notice and then HPOA could set a fine to encourage the HARC application. HARC will be encouraged to reduce the size of the original cement that was poured without approval and obtain substantial additional landscaping. HPOA policy would be to not waive at least one's month fine and to require the payment of the HARC Permit fee. HARC would be encouraged to make a recommendation on any fines to be waived. D. Elias is working with one homeowner under this outline. Owner has submitted HARC application. HARC has tabled the matter until D. Elias and D. Egan can be present.
- b. **Annual Meeting** - Club House is reserved for Wednesday, June 20th. HCA meeting will start at 7 PM followed by HPOA at 7:45 pm.
- c. **Private Mail Box** - mail will continue to go to the Welcome Center until June 1st at which time all HPOA will go to the new management company. Plans could still be dropped at the Welcome Center but only if we tell the owner so the person authorizing the drop off will be responsible for picking up the plans. After July 1st, Triad will no longer receive plans at their office.

9. New Business (Eve Franklin left the room for the discussion of items a and b and J. Estes took minutes.)

- a. **Termination of contract with Collins Management.** After some discussion, the Board decided that some of the motions on the agenda regarding the management company, needed to be separate motions.

Background: *Current contract with Collins Management signed July 25, 2006 provides for automatic renewal for 12 months on July 31, 2007 and Paragraph 5, Termination of Agreement, provides for 30 days written notice to terminate the contract. The renewal contract includes no increase in monthly fee but a \$1 invoice fee which could be \$2,000 plus and increases most other fees by 20% to 25%.*

Joyce gave verbal notice to Eve Franklin on April 19th after not being able to reach Paul Collins that there would be a vote at the next Board Meeting to accept a contract by another management company. We discussed some termination procedures and I asked that Collins negotiate with us a lump sum pay off on the outstanding \$2 invoice charges.

MOTION: The Board unanimously voted to terminate the contract with Collins Management effective May 31, 2007 and to provide a letter this evening to Eve Franklin, Association Manager, giving the required 30 days notice and termination details. Final check to Collins to be held until we have receipt of our May 31, 2007 financial statements and YTD general ledger, current owners roster in Excel and all of our other files and records. Expected turn over date is no later than June 15, 2007.

- b. **Approval of Financial Management Contract for year ending May 31, 2008:** During March of this year, the Board authorized Joyce Estes via a email vote (6 yes, 1 abstain) to interview other management companies to see if she could find a company who would agree to provide financial management and specified administrative services for HPOA for a cost of \$25,000 or less per year. Laura Kazaglis (Board Candidate with HOA experience) and Joyce Estes interviewed and recommends acceptance of the contract with Desiree Conley of Valley Management Services. Resume and Contract have previously been emailed to the Board.

MOTION: The Board unanimously approved the contract with Desiree Conley dba Valley Management Services for the period June 1, 2007 through May 31, 2008 for an annual contract of \$18,000 (paid monthly at the rate of \$1,500 per month) and a set up fee of \$2,000 to be paid tonight.

- c. **Professional Fees:** There will be some consulting required because of the change to the new financial management company. Some of this will be for answers to questions regarding our Collection policy to better document our policy and to set the rules for going forward to a lien and some will be to maximize the results from Tops, the new software program. Joyce Estes requested permission to spend \$500 between now and June 30, 2008 on questions regarding our Association and Collection issues.

MOTION: The Board approved amending the current year budget to provide for up to \$200 of consulting and for 2007-08 Budget for \$300 of consulting on management issues to be paid from the budget item of Professional Fees.

- d. **Excess member income over member expenses for FYE June 30, 2007:** The Board needs to take action to prevent any excess member income over member expenses from being taxed. If we were an HOA the membership would vote at the annual meeting to transfer any member excess income over member expenses to be applied to next years assessments to avoid Federal and California corporate taxes on the excess earnings. This would leave only the interest income net of write offs to be taxed. In place of a membership vote, the Board could vote to amend the budget and transfer this excess to reserves. This was not previously disclosed to the Board. Eve Franklin believed that amending the budget was the preferable solution. Joyce added that many HOAs make monthly transfers to reserve.

MOTION: The Board unanimously voted to authorize the transfer to reserves of the excess of membership income over membership expenses for the fiscal year ending in June 30, 2007 and subsequent years until reserves reach \$100,000. They authorized an accrual in April 2007 of \$15,000 by recording a debit to Reserve Expenses and a credit to Reserve Expenses Payable. They also agree to amend the 2007-2008 budget so that there is no excess membership profit because the excess will be shown as a reserve expense.

- e. **Owners of record:** The Board needs to set the date of ownership of record in order to receive notice of and be able to vote in the coming election. Section 3.4 of the Bylaws allows the date to be not more than 90 days and not less than ten (10) days preceding the date of our meeting which is June 20, 2007.

MOTION: The Board voted unanimously to approve May 31, 2007 as our date of record for the purpose of owners voting in the June 20, 2007 election of Directors to two year terms.

f. **Proxy/Ballot**

MOTION: The Board voted unanimously to approve the 2007 Proxy/Ballot for publication in the June issue of Neighbors. See attached at end of minutes for approved form.

- g. **Variances** — Article 6 was changed in the First Amended CC&Rs so that variances are issued by the HPOA Board not the Hiddenbrooke Architectural Review Committee. David Elias reported that in the past HARC has given only a very limited number of variances. After discussion, it was unanimously agreed to NOT change the procedures in this area. Under the CC&Rs the HPOA Board will have the only authority to issue variances.

- h. **Owner Overpayments:** Each month a few owners overpay their assessments and it is shown on the Income Statement as “Prepaid Owner Assessments.” We have been refunding some of those amounts. We currently have about \$300 as prepaid as of March 31, 2007. The Board needs to set a policy to direct the management company on how to deal with over payments.

MOTION: The Board unanimously approved that all overpayments of more than \$5 to be applied to next year’s assessment or fines, etc. Amounts of \$5.00 or less can be removed from the books.

- i. **Outstanding Accounts Receivable From Assessments:** Approximately \$4,800 is past due from assessments on accounts without fines. Discussion followed on how much effort Volunteers, Board or Management Company should spend to get this collected. Do we want to consider offering amnesty?

MOTION: The Board voted unanimously to deny the motion to offer a one time amnesty on assessments for fiscal year ending June 30, 2007.

10. **Community Forum** - *Anyone wishing to address the Board on any matter for which another opportunity to speak is not provided on the agenda, and which is within the jurisdiction of HPOA may speak now. Each speaker should state his /her name, and address for the record. Each speaker is limited to three minutes. Secretary will track the time.* None.

Next Meeting Dates: May 24, 2007 - Hiddenbrooke Golf Club, 6:00 PM

Hiddenbrooke Property Owners Association, Inc.
CC&R Violations—CLOSED SESSION
Agenda
April 27, 2007, Time: As needed.

1. **Call to order:** Joyce Estes, President
2. **Attendance:**
 - i. Board Members present: David Elias, Joyce Estes, Pam Hargrove, John Jackson, Bob Paedon and Fred Self.
 - ii. Board Members Absent: Cesar Alegria,
 - iii. Advisory Board: None.
 - iv. Management Company: Eve Franklin
3. **Assessment of fines voted by email:**
 - a. Hearing #5-07 Unfinished Landscaping, Approved by Elias, Estes, Self, Jackson
 - b. Hearing #7-07 Paper in windows, Approved by Elias, Estes, Self, Jackson
4. **Fines Proposed:**
 - a. Hearing #7-07 Illegal structure - J. Estes reported the Golf Course and homeowner have come to an agreement to remove the structure. A letter will be mailed to the homeowner confirming the agreement and explaining that we understand the homeowner plans to build a new one in the backyard and to remind the homeowner to submit an Application to HARC and get approval prior to building it.
5. **Fines Ignored Over 90 days**
 - a. On 2/22/07, the Board voted to send statements for accounts with fines over 90 days old via certified mail. The Board confirmed that this is to be done once for each account and not monthly thereafter. Also one owner is in discussion with the Board and should not get a certified letter in May.
The Fine Schedule will be noted to show those who have received a Certified Letter.
 - b. Discussion regarding what to with accounts which have incurred six months of fines.
6. **Review and update Fine spreadsheet**
 - a. Hearing #8-07 \$50.00 Fine - Paper in Windows
 - b. Hearing #9-06 \$50.00 Fine - Illegal Structure
 - c. Hearing #15-06 \$50.00 Fine - Business Violation
 - d. Hearing #2-06 \$100.00 Fine - Front Yard Landscaping
 - e. Hearing #3-06 \$100.00 Fine - Front Yard Landscaping
 - f. Hearing #8-06 \$50.00 Fine - Boat
 - g. Hearing #6-06 \$100.00 Fine - Front Yard Landscaping

7. Adjourn 8:06 PM.

Important Dates

HPOA Annual Meeting - June 20, 2007, 7:45 pm

HPOA Board Meeting Schedule, Meeting Time 6 PM

July 13, 2006	Completed	January 25, 2007	Completed
August 24	Completed	February 22	Completed
September 28	Completed	March	Cancel
October 26	Completed	April 26	Completed
November	Holiday-cancel	May 24	
December 7	Date changed	June 28	Joint with new Directors

Respectfully submitted,

Eve Franklin, Community Association Manager
Collins Management Company