

**THE MINUTES OF THE MEETING OF
THE BOARD OF DIRECTORS OF
THE VILLAGE PALOS VERDES HOMEOWNERS ASSOCIATION
February 11, 2010**

CALL TO ORDER

The following are the Minutes of the Meeting of the Board of Directors of the **Village Palos Verdes Homeowners Association**, held on Thursday, February 11, 2010 in Redondo Beach, California. The Vice President stated that a **Quorum** was present and called the Meeting to order at 7:32 P.M.

BOARD MEMBERS PRESENT

Vice President; Treasurer; Secretary; and Member-At-Large.

BOARD MEMBERS ABSENT

President

OTHERS PRESENT

Association Manager with Scott Property Management; On-Site Maintenance person; and Recording Secretary with HOA Organizers, Inc.

HOMEOWNERS FORUM

Management informed the members that they will be permitted to speak for 2 minutes each to allow everyone an opportunity to speak. Litigation matters will not be discussed. If there are any questions, the Board will respond in writing by mail.

171 Calle Mayor

The homeowner inquired about how long the \$600 per month would be collected and where these funds are kept. The Board responded that funds are held in CD accounts, that funds are fully accounted for in the monthly financial reports, and that the exterior renovation work has been held up because of the loan, but added that the loan is imminent and that instructions on whether work can proceed will be given in court on February 19, 2010.

419 Camino De Las Colinas

The homeowner asked whether there had been a policy change to make it acceptable for members to ask the Board questions and for the Board to answer those questions at any point during the Board meeting. Management responded that the policy, which is based on the civil code, does not allow the Board to respond to arbitrary questions not on the agenda, and that documentation of this policy can be provided.

A Homeowner questioned whether the Board's strict adherence to this policy is necessary. The Board responded that enforcing compliance has been recommended by legal counsel.

APPROVAL OF MINUTES OF PRIOR MEETING

The Vice President moved, the Secretary seconded, and the motion carried unanimously to wait to approve the Minutes of the December 21, 2009 Open Session until amended. The Board agreed to table the approval of the January 14, 2010 Open Session.

TREASURER'S REPORT

The Treasurer reported on the financial figures for the period ending January 31, 2010. She reported that the Association's accounts at Merrill Lynch never exceed the FDIC limit and that all of the Association's funds are FDIC ensured. She reported that this month's major expenses were in plumbing repairs due to a water main break and back-up, and that legal fees were over-budget. She reported that all checks written by management are reviewed by the Treasurer and signed by the Treasurer and one other Board member, and that many controls are in place. She reported that the extra \$600 being collected for the exterior renovation project is transferred to a Merrill Lynch account solely for those funds and are not mixed with other funds.

Reserve Investments

The Vice President moved, the Secretary seconded, and the motion carried unanimously to authorize Management to roll both the \$200,000 CD maturing on March 4, 2010, and the \$200,000 CD maturing on March 9, 2010 into 90-day CDs as before per the Treasurer's recommendation.

Reserve Study

The Treasurer reported on the need to rework the Association's current Reserve Study due to the fact that it was based on the exterior renovation project having started in January 2009 as originally scheduled. The Secretary moved, the Member-At-Large seconded, and the motion carried unanimously to approve RSI's bid to rework the Reserve Study for a fee of \$385.

Delinquencies

The Treasurer reported \$23,500 delinquencies in regular assessments, \$184,200 delinquencies in exterior renovation assessments, and \$25,000 delinquencies in interest and late penalties.

Resolution to Record Lien(s)

There were no liens to record at this time.

RULES AND REGULATIONS COMMITTEE REPORT

The Committee Chair reported that work on updating the Association's Rules and Regulations is continuing. She reported on the need to incorporate a new state law which prohibits smoking in common areas, including pools, walkways and driveways. She reported on the new rule that only gas grills will be allowed on kitchen balconies, and grills using charcoal or propane will not be allowed, though the question remains as to whether existing charcoal and propane grills can be grandfathered in for the time being. She stated that if a member were to notice a violation, they should contact Management by phone, email or mail so Management can record and issue a violation letter. She reminded the membership that a permit from the City of Torrance is required for any interior construction. She added that off-site Homeowners need to give their tenants a copy of the Association's Rules and Regulations.

"COMMUNITY ASSOCIATION INSTITUTE ESSENTIALS" WORKSHOP HIGHLIGHTS

The Vice President and the Member-At-Large gave their accounts of this CAI event which they attended, and the Secretary added his experience. It was noted that there is a wealth of information in the Condo Blue Book, the CAI website, and other resources, such as membership directories, national publications and various pamphlets. It was noted that CAI is an organization which supports HOA representatives to meet and exchange information and ideas.

MAINTENANCE REPORT

Maintenance Requests

The on-site maintenance person reported on maintenance request items that arose in the last month from January to the present time in February. He reported that this was a busy month with incidents arising from rain. He reported that there were 32 Homeowner calls in all. He reported that of the 39 leak incidents, 4 are pending and 6 are recurring leaks. He reported a total of 100,000 sq. ft. of separation or cracks in the siding. He reported on deteriorating siding and insulation being exposed to the sun in a unit being remodeled. He reported on leak issues involving units with air conditioner unit air boxes on the roof and added that after the immediate leak issues are addressed, a more comprehensive remedy will be needed as part of the exterior renovation project. He added on issues with windows and issues in how siding had been installed to the stucco chimneys. He stated the need to discuss whether balconies should be remodeled all at once or piece-meal.

A homeowner reported issues relating to a fallen trash door, and inquired if something could be done to make it was possible to open the door from inside the trash room. This issue was duly noted.

MANAGEMENT COMPANY

Landscape Maintenance Proposals

Management reported that 3 bids were obtained for monthly maintenance service, all based on 48 man-hours/week twice a month with services to include the trimming of trees up to 12 feet, and added that the Association's current vendor has reduced their rate by \$800/month to remain competitive. The Board discussed the positive feedback obtained from Homeowners regarding the current vendor, whose service is superior to that of the previous vendor. The Treasurer commented that she is in favor of keeping the current vendor, as their service is good and they are willing to reduce their rates.

Incoming Correspondence

Management reported receiving correspondence from a Homeowner regarding a leaking roof and a balcony which needs repair. The on-site maintenance person reported that he is working on the leak, which is related to the air box.

Management reported receiving correspondence from a Homeowner requesting that the issue of the under-valuing of her unit by her bank be added to the agenda for the March Board Meeting. Management reported that this Homeowner is requesting the Board to write a letter explaining the Association's current situation to her bank or to contact the underwriter. The Board approved the addition of this item and instructed Management to include it in the agenda.

A Homeowner commented on the unfair practice of drive-by appraisals which do not consider any upgrades to the interior of the unit, adding that she had an appraiser come in and reappraise her unit. Management responded that a form letter could be put together to explain the situation to banks whenever such a need arises.

Outgoing Correspondence

Management thanked the Homeowner who stepped forward to fill a vacancy.

Closed Escrows

There were none at this time.

OLD BUSINESS

Management reported that the renewal of the Association's insurance and D&O coverage through Farmers has been secured, that the price was reduced from \$54,000 to \$50,000, and that membership will be notified with a copy of the declaration sheet shortly.

The Treasurer instructed Management to research a \$1,300 credit relating to accounts receivable #4332.

The Board stated that it is still discussing whether the Homeowners Forum is best at the beginning or at the end of Open Session, as this varies with each HOA.

A Homeowner commented on the good tree-trimming work which has restored the view from her unit.

NEXT MEETING

The next meeting is scheduled for March 11, 2010 at 7:30 P.M.

ADJOURNMENT TO EXECUTIVE SESSION

The Board adjourned Open Session at 8:24 PM.

The Board met in Executive Session following the regular meeting to review delinquent accounts and a third-party contract.

Submitted by: Recording Secretary with HOA Organizers, Inc.