

**THE MINUTES OF THE MEETING OF
THE BOARD OF DIRECTORS OF
THE VILLAGE PALOS VERDES HOMEOWNERS ASSOCIATION**
April 8, 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, April 8, 2010 in Redondo Beach, California. The President stated that a **Quorum** was present and called the Meeting to order at 7:33 P.M.

BOARD MEMBERS PRESENT

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

BOARD MEMBERS ABSENT

Secretary.

OTHERS PRESENT

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

PRESIDENT'S REPORT

The President reported that a settlement had been reached in the lawsuit, that the letter dated March 26, 2010 was accurate, and that the details of the settlement were being finalized.

The President reported that the HOA Loan has not yet been finalized. She also stated that final figures on how many homeowners have already paid the special assessment and final figures on how much the bank will charge for the loan have also not been finalized. She clarified that the HOA loan is in actuality a special assessment repay program. She commented that distressed cash sales have negatively impacted homeowners who are trying to refinance. She stated that there will be an announcement when the HOA loan is finalized, that the project will be fully-funded at that time and that contractors will start renovation work. She stated that what was sent to the membership in writing is accurate and complete information. She reiterated that payments need to be received by April 14, 2010, and that everything will be finalized and construction will begin after that date.

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.

419 Camino De Las Colinas

The homeowner inquired whether a start date has been determined, if a settlement to the lawsuit had been reached, whether this settlement could be considered a settlement if it has not been finalized yet, whether the lack of a finalized loan means the homeowner's money would be returned to her at this time, where in the CC&Rs or By-Laws does the Board get the authority to have homeowners come up with \$61,000 within 30 days, and why homeowners cannot be given 60-90 days to come up with their own financing.

137 Calle Mayor

The homeowner inquired how many homeowners have paid the full \$75,000 to date, and when homeowners will be informed regarding the cost of materials to be used.

444 Calle Miramar

The homeowner reported that there were parking rule violators who were blatantly parking in front of his unit, that he has already reported such incidents twice in the past, that the rules are not being enforced with consequences, and that he expects this situation to worsen with construction starting. The homeowner requested more enforcement of rules with follow-up and strict consequences.

410 Calle Miramar

The homeowner inquired why she had still been sent to collections when she had sent payment, why she did not receive her statement, and whether this would happen again in the coming month.

447 Camino De Las Colinas

The homeowner inquired why he had not received a response to his inquiry made at the last Board meeting within the promised 1-month time period and asked if he would be receiving the response. He asked why there was nothing in writing about the pre-pay penalty to the loan and what fees are being paid with the \$600 a month assessments when there is no loan yet.

125 Calle Mayor

The homeowner inquired whether a detailed report on special assessment funds, which would total \$2.5 million not counting interest gains or fines, would be given to homeowners.

432 1/2 Palos Verdes Boulevard

The homeowner inquired about the President's statement at the last Board meeting regarding the budget being tight due to unanticipated problems and requested reassurance that there would not be another special assessment.

131 Calle Mayor

The homeowner inquired of Management whether the loan was being collateralized with the homes of those homeowners who have agreed to the loan.

431 Camino De Las Colinas

The homeowner reported that he has signed a petition to approach the Board and Management regarding holding a special meeting for homeowners to address specific issues and inquired how to arrange this.

153 Calle Mayor

The homeowner inquired whether homeowners will get an opportunity to get specific information directly from the contractors and to see the new materials before work is started.

APPROVAL OF MINUTES OF PRIOR MEETING

The Board agreed to table this item.

TREASURER'S REPORT**Reserve Investments**

The Treasurer reported that there were no CDs which needed to be reviewed at this time and reiterated that all special assessment funds are liquid in Money Market accounts. All special assessment funds have been accounted for and no special assessment funds have been distributed yet.

Reserve Study

The Treasurer reiterated that the Board had approved a \$385 fee for ongoing corrections to the Reserve Study in order to reflect the current status of the complex as opposed to the status after renovation is completed. These errors were caused by the anticipation that renovation work would have started on January 1, 2010 but in fact did not. The Treasurer reported that the Treasurer, the Association Manager and the CPA will be meeting again tomorrow, and that the Reserve Study and year-end financial report will be sent to homeowners by April 30, 2010 in compliance with the deadline of 120 days from the end of the year.

Delinquencies

The Treasurer reported that the percentage of delinquent accounts has decreased to approximately 5%, which is considered low.

Special Assessment – Status of Receipts

The Treasurer reported that over 75 homeowners have paid the special assessment in full and that 46 homeowners have signed up for the loan program. More payments are expected to be received tonight, and the final figures will be determined as of April 14, 2010.

Resolution to Record Lien(s)

The Treasurer made a motion to record a lien on APN #7512-010-122. The Member at Large seconded the motion, and the motion carried unanimously.

MAINTENANCE REPORT

Maintenance Requests

The On-site maintenance person reported on maintenance request items that arose in the last month. There were a total of 6 leaks involving copper pipes, 2 leaks resulting from rain, a total of 14 open drywall repairs, 6 of which will be completed tomorrow. He reported that plumbing issues seem to happen in a series every couple of months. There have been a large number of cases involving drywall this month. He reported that pebble stones will be needing repair and that 4 landings will need to be replaced in the next 3 weeks. He reiterated that it had been decided that some issues are to be addressed after the renovation project is done. He explained that he will be keeping a couple of landings, which are made in advance, on-site for emergencies so they can be utilized quickly. He brought to the Board's attention the difficulty in determining whether a plugged drain in a center patio (downspout) is a homeowner issue or an Association issue. He reported on a railing replacement and another partial deck case. He brought to the Board's attention the issue of logistics in having homeowners leave their keys for repairs, and the issue of pricing regarding Phase 1 valves. The Board agreed to discuss Phase 1 valves in Executive Session.

MANAGEMENT COMPANY

Petition received for special meeting

The Board recognized the March 29th receipt of a petition letter dated March 27th to have a special meeting for the following purposes: 1) to vote for a delay in demand for the \$61,000 assessment balance until litigation is over and 30 days after the judge has signed the final agreement, and 2) to allow the Board to answer homeowner questions about the potential for a second assessment. The Board recognized at this meeting, which is within the required time period, that this petition is valid because it was signed by 5% of the membership pursuant to the Civil Code despite the Association's CC&Rs calling for a petition to be signed by 20% of the membership. The Board stated that the special meeting will be calendared during an Open Session at a later date. The meeting will be held within the required time period, which is no sooner than 35 days and no later than 90 days from the date of receipt of the petition.

Annual Review

Management reported that, as mentioned in the Treasurer's Report, the Association is required on an annual basis to audit its financial books. The Treasurer and Management have met with the CPA regarding this requirement. Management reported that only a few items need to be addressed for Board approval. All homeowners will receive final financial statements through 2009 by April 30, 2010, and that nothing has been left unaccounted.

Incoming Correspondence

Management reported that the Board is receiving copies of all incoming correspondence.

Outgoing Correspondence

Management reported that there were none at this time other than homeowner payment plan enrollment forms.

Closed Escrows

Management reported that there were none at this time.

OLD BUSINESS**Rules and Regulations Committee**

Management reported that the Rules and Regulations had been in the process of being updated, that the Board-approved update draft has been sent out to homeowners for the opportunity to give input during a 30-day review period, and that the Board will be taking homeowners' input under advisement. The Treasurer thanked those homeowners who have taken the time to give their input.

Quarterly financial updates

It was reported that the Board is committed to providing quarterly financial updates to homeowners, and that March financials will be available to homeowners shortly.

NEXT MEETING

The next meeting is scheduled for May 13, 2010 at 7:30 P.M.

ADJOURNMENT TO EXECUTIVE SESSION

The Board adjourned Open Session at 8:19 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.