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PEPPER TOWNEHOMES HOMEOWNERS ASSOCIATION
BOARD OF DIRECTORS MEETING
NOVEMBER 20, 2019
MINUTES

The Meeting was called to order by the Association President at 6:30 p.m. in the office of 360 Community Management located at 10769 Woodside Avenue #210 in Santee, CA 92071.

Directors Present:	Robert Reed	President
	Mike Dayton	Vice President (conference call)
	Jim McCorkle	Treasurer
	Ashley Borja	Secretary
	Carrie Barong	Director
	Tina Wick	Director
	Rhonda Bellavia	Director

Also Present: Joseph G. Apparito, CCAM Community Manager
Two (2) Unit Owners

OPEN FORUM

Each Member is provided 5 minutes to speak. No Members were present for this meeting.

APPROVAL OF PREVIOUS MEETING MINUTES

The Board reviewed the Open Session Meeting Minutes of September 11, 2019. A motion was made, seconded and carried to approve the Minutes as presented.

The Board reviewed the Executive Session Meeting Minutes of September 11, 2019 in which homeowner correspondence was reviewed, the violation log was reviewed, and the delinquent account log was reviewed. Several corrections were noted to these minutes. Approval has been tabled to the next meeting.

FINANCIAL REPORT

Period Ending 8/31/2019

The combined reserve account balance is \$713,879. The operating account balance is \$27,795. The accounts receivable total is \$10,766. Income for this period is \$60,059 with expenses of \$69,222. The total assets for this period is \$752,441. A motion was made, seconded and carried to approve the Financial Report as presented for filing pending Independent Financial Review.

Period Ending 9/30/2019

The combined reserve account balance is \$746,129. The operating account balance is \$13,086. The accounts receivable total is \$11,761. Income for this period is \$75,789 with expenses of \$90,498. The total assets for this period is \$770,976. A motion was made, seconded and carried to approve the Financial Report as presented for filing pending Independent Financial Review.

CD Investment Review

The Association Treasurer provided a detailed report on CD rates and availability. With the Association now saving more significant amounts in the reserve account, there are more funds to purchase CD's. A motion was made, seconded and carried to approve the purchase of a \$100,000 CD with Synchrony Bank for a 36 month term with a projected rate of 2.55% and to purchase a \$50,000 CD with TIAA for a 36 month term with a projected rate of 2.40%.

2019 Draft Reserve Study

The Board has spent the past months reviewing the draft reserve study and after further discussion, a motion was made, seconded and carried to approve the draft as submitted. The report indicates that the Association is approximately 46% funded at this time.

2020 Draft Budget

The Board has spent the past months reviewing the draft 2020 budget and after further discussion, a motion was made, seconded and carried to approve the 2020 budget as submitted. The monthly assessment shall \$360.00 per unit beginning January 1, 2020. The Board does not anticipate any need at this time for a special assessment in 2020.

2019 Independent Financial Review Proposal

The Board reviewed a proposal to audit the financial statements for year ending 12/31/2019 and to prepare the federal and state income tax returns. After review and discussion, a motion was made, seconded and carried to approve the proposal from Gregory V. Villard, CPA as submitted for a cost of \$925.00.

COMMITTEE REPORTS

Architectural

There were no requests submitted this period

Landscape

A walk-thru inspection of the Community landscape was conducted with the landscapers on 11/18/2019 with the Landscapers and Community Manager present. A report was provided to the Board for their review. A walk-thru of the Community is scheduled once every month meeting in front of the level 1 pool. The previous months Walk-Thru Report is reviewed at each successive scheduled walk-thru to determine if all items have been addressed. The next scheduled walk-thru is Friday 12/13/2019 at 8:00 a.m.

The Board reviewed a request from a unit owner to "skin" a tall Mexican Fan Palm near the 7879 building that the unit owner has offered to pay for. A proposal was submitted by Green Horizons to complete this work for \$900. After further discussion, the Board denied this request at this time. Stated policy is to keep all common landscape and trees uniform throughout the community.

Maintenance

A walk-thru inspection of the Community was conducted on 11/18/2019 by the Community Manager and Board Member. A report was provided to the Board for their review. The level 3 pool light is reported to remain on all day. This will be reported to the pool vendor to address. No other action was taken or needed at this time.

The Board reviewed lighting maintenance proposals from Kennedy Electric. A motion was made, seconded and carried to approve a monthly lighting service for a cost of \$104 plus any materials and any supplies needed.

Upon a motion made, seconded and carried, the Board approved replacing 2 damaged light fixtures on the sides of buildings 7863 and 7897 for a total cost of \$250.00.

The Association President shall purchase 10 LED light fixtures at a time to replace old and non-operable light fixtures on all of the garages. The previous management shall be contacted regarding several light fixtures that have been previously purchased by the Association and stored at the previous management office.

UNFINISHED BUSINESS

2019 Annual Meeting & Election Lack of Quorum

The Association has been unable to achieve a quorum of Members as required by the By-Laws at the original 2019 Annual Meeting of Members & Election scheduled on September 11, 2019 with only forty-one (41) Members represented in person or by secret ballot out of eighty-one (81) required. Quorum was not achieved at the Reconvened Annual Meeting of Members & Election scheduled on October 9, 2019 with forty-three (43) Members represented in person or by secret ballot out of eighty-one (81) needed and thus could not conduct the election for the open positions on the Board of Directors No further attempts will be made and the current board members may remain. The Board may appoint members to fill vacant seats until the next scheduled Annual Meeting.

2019 Building Painting Project

Superior Painting has completed painting all wood sections of buildings and garages at 7819, 7823 and 7827. An inspection was performed on 11/18/2019 with a Board Member, the Community Manager and the Maintenance Supervisor present with a representative of Superior. With the exception of a few minor items, the painting project is accepted as complete.

NEW BUSINESS

Damaged Asphalt & Concrete Replace Review

This item has been tabled to the March 2020 Board meeting.

Community Maintenance

The Board reviewed a maintenance agreement proposal provided by 360 Maintenance to perform 24 hours of maintenance per month at a reduced rate of \$45 per hour. The budget will only allow for 18.5 hours per month. The agreement will be amended to perform 18.5 hours of maintenance per month. A motion was made, seconded and carried to approve the amended agreement.

Janitorial Services

The Board reviewed a proposal from Jani King to perform janitorial services 1 time per week in the colder months and 2 times per week in the hotter months. A motion was made, seconded and carried to approve the proposal as submitted for a cost of \$250 per month for once per week service and \$350 per month for twice per week service.

Reserved Parking Review

There is currently one reserved parking space available. The unit owner that had expressed interest will be sent an application to complete, sign and return.

SDG&E Transformer Fence Gate

SDG&E has instructed the Association that a gate must be installed in the vinyl fencing allowing 8 feet of access to the SDG&E transformer box for service needs. The Board reviewed a proposal from Alpine Fence to modify the vinyl fence and install an 8 foot gate to match the current vinyl fence for a cost of \$1,200.

AT&T Agreement Termination

AT&T has notified the Association of terminating their connected communities’ agreement with the Association. Wi-Fi service has been terminated and AT&T equipment has been shipped back to AT&T per their shipping instructions.

Parking Enforcement Review

The Association has been satisfied to date with the performance of Reliant Parking – Parking Squad in enforcing parking rules. Reliant has been notified to address 2 reported vehicle parking concerns.

Proposed Community Dog Park

The Board is considering fencing in the grass area on the level 5 parking area in order to have a community dog park. Management has been instructed to obtain a bid for installing 4’ chain link fencing. The Association President has offered to meet with the fence vendor to show them the area and scope of work.

2019 Holiday Lighting Contest

Upon a motion made, seconded and carried, the Board has approved a community wide holiday lighting contest. No sound machines or strobe lights will be allowed. There will be a prize of \$100 gift card for 1st place, \$50 gift card for 2nd place and \$25 gift card for 3rd place. The Association President is coordinating this event.

SB 323 Election Rules Review

The Board was provided information on State Bill 323 which amends election rules and guidelines for HOA’s and takes effect on 1/1/2020. No further action was needed at this time. Management will update the Board as these new guidelines are applied at other communities.

ADJOURNMENT

With no further business to come before the meeting, a motion was made, seconded and carried to adjourn the meeting at 8:21 p.m. to the Executive Session to review correspondence and to discuss violation and collection matters.

Secretary

Date

The next meeting of the Board of Directors is scheduled for 1/15/2020