

CROWN COLONY HOMEOWNERS' ASSOCIATION

BOARD OF DIRECTORS' MEETING

April 21, 2010

To be approved at the next regularly scheduled meeting

The meeting was called to order by President, Rick Crump at 5:45pm in the Clubhouse.

Present:

Mr. Rick Crump, President; Ms. Kathy Carry Vice President; Mr. John Macdonald, Treasurer; Ms. Rosemary Henry, Secretary

Absent:

Jaye Bunn, Member

Also Present:

Ms. Rita Nicolas and Ms. Monaca Smith of Common Interest Management Services.

Pre-Board Session:

Ms. Pat Martel, City Manager, introduced Ms. Robbie Turner and Mr. Kevin McBride from GoGoVerde a program reaching out to offer local communities an opportunity to connect people together and GoGoVerde asked Crown Colony to join their pilot program. Ms. Turner and Mr. McBride presented a slide show of their program and discussed what the program has to offer. The Board discussed this and is open to the idea of researching this further to see if it would like to participate.

Open Forum:

Mr. Jimmy Fernandez, of 357 Half Moon Lane, addressed the Board regarding possibly installing bike racks on the property. He said he received a grievance letter about his bicycle being on the patio which is a violation and said he has no where to store his bike, but on his vehicle which is an inconvenience. The Board discussed the possibility of allowing the bicycles to be stored in the assigned parking spaces in the garages or carports and said this matter would be looked into. Mr. Crump thanked Mr. Fernandez for addressing the Board.

Executive Session:

The Board reviewed and discussed the Grievance Committee's recommendations from its April 7, 2010 meeting and made its decisions accordingly.

Reading, Correcting and Approving Minutes:

The minutes of February 17, 2010, the 30th Annual Meeting and the Organizational Meeting of March 20, 2010 were approved as written.

Giving and Acceptance of Reports:

Managing Agent's Report: The Board acknowledged receipt of the report, which they previously received.

Financial Statement Ending February 28, 2010: The Board acknowledged receipt of the financial statement ending February 28, 2010 as prepared by Bautista & Co. which reflects a monthly surplus of \$2,327, an ending cash balance of \$1,774,305 and total investments of \$1,483,223 which is designated to reserves.

Financial Statement Ending March 31, 2010: The Board acknowledged receipt of the financial statement ending March 31, 2010 as prepared by Bautista & Co., which reflects a monthly surplus of \$12,277.54, an ending cash balance of \$1,703,500 and total investments of \$1,510,639, which is designated to reserves.

The Board acknowledged receipt and its review of the bank reconciliations and the delinquency reports as prepared by Bautista & Co. and Sunrise Assessment Services (Delinquency Report only).

Unfinished Business:

Ratification for Window and Sliding Door Installations: Mr. Crump said the Board needs to ratify the installation of a new sliding door and window at 355 Half Moon Lane #2, 355 Half Moon Lane #4 and 370 Imperial Way #215.

Mr. Macdonald made a motion that was seconded by Ms. Carry and unanimously carried to ratify the window and sliding door installations for the units listed.

Ratification of New Heater for Clubhouse Pool - Ever Blue Pool - Line #9960: Mr Crump said the Board needs to ratify the proposal from Ever Blue Pool to install a new heater for the clubhouse pool for a cost of \$3,450.

Ms. Carry made a motion that was seconded by Ms. Henry and unanimously carried to ratify the installation of a new heater for the clubhouse pool by Ever Blue Pool for a cost of \$3,450 to be funded from line #9960.

Ratification of Proposal from Master Plumbing to Cap off Gas Lines in 3-story Buildings - Line 5385: Mr. Crump said the Board needs to ratify its previous verbal approval of the proposal from Master Plumbing to cap off the gas lines for the fireplaces in 13 of the 3-story buildings for a cost of \$250 each or #3,250. He said the gas line at bldg. 12 had already been capped off.

Ms. Henry made a motion that was seconded by Mr. Macdonald and unanimously carried to ratify the proposal from Master Plumbing for a cost of \$3,250 to be funded from line #5385.

Ratification of Electric Fireplace Installation: Mr. Crump said the Board needs to ratify the electric fireplace installation at 359 Half Moon Lane #314.

Mr. Macdonald made a motion that was seconded by Ms. Carry and unanimously carried to ratify the electric fireplace installation at 359 Half Moon Lane #314.

New Business:

Security Service Addendum to Contract - First Premier - Line #5191: Mr. Crump said First Premier submitted an addendum to extend the current contract for the same terms for 30 days from June 1, 2010 to June 30, 2010 to coincide with our fiscal year. Their renewal proposal, if approved by the Board, will be effective July 1, 2010 through June 30, 2011.

Ms. Henry made a motion that was seconded by Ms. Carry and unanimously carried to approve the addendum from First Premier to extend the current contract from June 1, 2010 to June 30, 2010.

Security Service Contract Renewal - First Premier - Line #5191: Mr. Crump said First Premier submitted a renewal proposal for security services for July 1, 2010 through June 30, 2011 for a cost of \$308,628.88 which reflects a 5% increase from last year's contract. He also said the Nextel phones total \$1,560 for a total of \$310,188.88.

Ms. Carry made a motion that was seconded by Ms. Henry and unanimously carried to approve the security contract and phones for a total cost of \$310,188.88 to be funded from line #5191.

Approval of 2010-2011 Budget and Reserve/Reconstruction Funding Schedule: Ms. Henry made a motion that was seconded by Ms. Carry and unanimously carried to approve the 2010-2011 Budget and Reserve/Reconstruction Funding Schedule for a total of \$3,802,733 which represents a 0.03% increase from last year's budget.

Approval of Audit Proposal: Mr. Crump said Takemoto & Co. submitted a proposal to prepare the 2009-2010 audit and tax returns for a cost of \$4,850. Mr. Crump said John Takemoto worked with

Tim Collins, the previous auditor, and is familiar with Crown Colony.

Ms. Carry made a motion that was seconded by Ms. Henry and unanimously carried to approve the proposal from Takemoto & Co. for a cost of \$4,850.

Fido Dispenser Kits: Mr. Crump said the Board needs to consider approving the purchase of 6 Fido dispenser kits for a cost of \$345 each to be installed in various locations throughout the property for residents to use when walking their dog. He said the total cost with tax would be under \$2,300 and the shipping is free.

Mr. Macdonald made a motion that was seconded by Ms. Henry and unanimously carried to approve the purchase of 6 Fido Kits for a cost not to exceed \$2,300 to be funded from line #9998

Semi-Annual Carpet Cleaning Proposal for all 3-Story Buildings - PCS of Bay Area - Line #5190: Mr. Crump said PCS of Bay Area submitted a proposal for the semi-annual carpet cleaning in the 3-story buildings and the clubhouse by truck mount method for a total cost of \$8,480. This is a slight increase from last year's cost, but this proposal includes the carpeted walls and the floors inside the elevator cabs.

Ms. Carry made a motion that was seconded by Mr. Macdonald and unanimously carried to approve the proposal from PCS of Bay Area for a cost of \$8,480 to be funded from line #5190.

Approval of Pool/Spa Service Contract - Line #5170: Mr. Crump said Ever Blue Pool Services submitted a proposal for the pool and spa service for a monthly cost of \$145 or \$1,740 annually. We also included a proposal from Kirby's Pools as a comparison cost which is higher than Ever Blue.

Ms. Henry made a motion that was seconded by Ms. Carry and unanimously carried to approve the proposal from Ever Blue Pool Service for an annual cost of \$1,740 to be funded from line #5170.

Crown Colony Foreclosed Units: Mr. Crump said Berding & Weil advised the Association that the 4 units that the Association foreclosed on last year may be rented out to recoup some of the past due assessments. He said the Board needs to approve renting these 4 units out, as is, for a reduced rent as the tenants would need to move out if the lender announces foreclosure procedures.

Discussion ensued regarding what percentage of the market rate should be charged for rent, if a security deposit should be applied and also if insurance should be required.

Mr. Macdonald made a motion that was seconded by Ms. Carry and unanimously carried to approve renting these 4 units, as is, until the lender proceeds with foreclosure.

Ms. Carry made a motion that was seconded by Ms. Henry and unanimously carried to charge 60% of the market rate for rent for these 4 units, a \$500 security deposit and that the Association obtain liability insurance on these 4 units for tenant damage.

Mr. Crump said that there are four other units that Sunrise is monitoring; but not proceeding with foreclosure since the Board decided not to proceed with any more foreclosures; however, now it is recommended that the Board proceed with these 4 units since there is no present lender activity and the dues are delinquent between \$6,500 and \$11,000. He said it appears 3 of the units are empty and one has a renter. He also advised the Board that Sunrise would reduce their foreclosure fees if these units go to foreclosure sale by 25%.

The Board agreed by consensus to proceed with non-judicial foreclosure on these four units which are TS# 10220, 9663, 11240 and 12513.

Exterior and Interior Master Plan Design - Saylor, Inc. - line #9998: Mr. Crump said Saylor, Inc. submitted a proposal to prepare an exterior and interior design plan for the buildings for a cost of \$3,800.

Ms. Carry made a motion that was seconded by Mr. Macdonald and unanimously carried to approve the proposal from Saylor, Inc. for a cost of \$3,800 to be funded from line #9998.

Authorization to Proceed with Recording Notice of Delinquent Assessments: Mr. Macdonald made a motion that was seconded by Ms. Carry and unanimously carried to authorize Sunrise Assessment Services to record a Notice of Delinquent Assessments for TS#s 15798, 15802, 15803, 15805, 15806, 15808, 15809, 15799, 15804, 15940, 15942.

Announcement of Decisions Made in Executive Session at the February 17, 2010 meeting and Announcement of The Annual Meeting IRS Ruling Results on March 20, 2010:

Parking Space Violation - 375 Mandarin Dr.: Mr. Macdonald made a motion that was seconded by Ms. Henry and unanimously carried to not assess this unit \$50 since the registration for the vehicle in violation has been renewed and contingent upon that after an inspection is made on February 18, 2010, that the items being stored in the vehicle in violation have been removed. The Board also agreed by consensus that the owner of the unit would be asked to request his tenant obtain a current parking sticker for the vehicle in violation since the registration has now been renewed.

Annual Meeting IRS Ruling Results: Mr. Crump announced that the results of the vote of the IRS Ruling at the 30th Annual Meeting are as follows: 329 Yes votes and 20 No votes with the Ruling passing favorably.

Time, Date and Place of Next Regularly Scheduled Meeting:

Mr. Crump announced the next Regularly Scheduled Meeting will be held on Wednesday, May 19, 2010 at 6:45pm for Open Forum and 7:00pm for the Regular Meeting.

Adjournment:

There being no further business to come before the Board, the Regular Meeting adjourned at 8:10pm.