

**HIDDEN VALLEY VILLAGE OWNERS ASSOCIATION**  
**Board of Directors Special Meeting**  
**Minutes**

**Date of Meeting: Thursday, April 23, 2020**

**Time: 7:30 PM**

**Location: Hidden Valley Common area Room**

**Time: Apr 23, 2020 07:00 PM Pacific Time (US and Canada)**

**Join Zoom Meeting**

**<https://us04web.zoom.us/j/76994391438?pwd=VjRwNnRuL29xU2lpNXJuWUhhQeHJVUT09>**

**Meeting ID: 769 9439 1438**

**Password: 5WM2a8**

General

- A. Call to order by Ruth E Wheeler 7:36pm
  - B. Roll call. Record Board Members, Management, owners and guests present
1. Announcements/Orders of the day all here. **Ruth Wheeler:** Financials are due on the 30th of April, year end summary. Secretary to send a copy of DRAFT minutes to Management and Butner. Highlight directive to management. Highlight directives to Butner.
    - a. Items discussed in Exec. Meeting. General Discussion of Management Contract Renewal
    - b. Recusals
    - c. Changes to order of agenda
  2. Approval of Minutes April 18, Regular Board Meeting
  1. Business:
    - A) Discussion and possible action on Voting Rules and Bylaw Amendments drafted by Tim Sanford Motion by Ruth Wheeler; Move to approve the voting rules as presented by Tim Sanford and submit them to Ownership for 30 day review. Second Matthew Desario. Motion Passed 7-0. Motion by RUTH WHEELER; Move to approve the ByLaws as amended by Tim Sanford. Motion Passed 5-0-2. Abstention Matthew Desario, Kinoka Ogsbury
    - B) Discussion and possible action on Dues collection procedures and options to deal with the possibility of Delinquencies due to COVID-19 **Kinoka Ogsbury:** We should have multiple budget plans in place for 'disaster', 'business as usual', 'one time one month dues relief' etc. At my workplace, we have 3 or 4 different budgets and buying plans depending on how sales and the economy react. If we wait until the problem is profound, it's too late. We have 3.5 months of operating expenses in the Contingency fund so a 1 month grace of dues is possible financially. **Dave Natali:** I don't like the idea of using a contingency fund to reduce monthly dues even though this is a terrible time for all. We had saved this money for building expenses not financial troubles. **Steve Latshaw:** I think we need to think the other way and wait to make any changes until we know if the Coronavirus issue is going away. **Tony Cole:** I think we are way too early in this process to be talking about reducing dues for owners or waiving 40K of HOA dues in providing a 1 month vacation of fees. We don't know the number of owners who are experiencing financial issues. A single Owner made an unsubstantiated claim at our last meeting about a 20-30% decrease in property values but we don't know the extent of any impact right now. We have a fiduciary responsibility to all Owners. I wouldn't support any reduction or change to our dues. **Jeff Risse:** I think having a plan in place might be reasonable, but are we talking about dipping into reserve funds? If so, I don't think we should. If we can save money in Operating costs we could look at that. But we might spend more money researching and refunding this money than the savings itself.

**Dave Natali:** One thing I worry about. If we save the owners \$30/month now I worry Owners will wonder why we couldn't save them this money before. **Kinoka Ogsbury:** There isn't a-lot of fluff in our budget, but we could make decisions about buying less plants, doing less landscaping, pushing off non-essential projects. We can save money if we stop spending on our 'like to haves' versus our 'need to haves.'

**Ruth Wheeler:** None of us have a crystal ball. It's realistic to think that HOA may fall on hard times because some owners will not be able to pay dues. I don't think this will happen right now, and it would be foolish to not live with the budget we passed last year through to the end of the year and hope we have a surplus. If we do, rather than refunding any surplus to Owners, recommend the HOA stay the course and issue and collect dues as we do, apply the standard collection policy, late fees, and lien process that we do and save any money for the HOA for the future. **Jeff Risse:** So Ruth you are saying leave dues alone for 2020 and re-do the budget at the end of the year for 2021? **Ruth Wheeler:** Yes stay the course for this year, and look at savings in next year's budget. **Dave Natali:** I think we should send a letter to owners so when they see projects being done they understand that money was already allocated via the reserve fund, versus being funded with current dues, but reserve contributions collected in the past. I can imagine that when <owner> sees us painting Building C, this explanation will be needed. Owners who oppose the driveway slurry now don't understand that we have already funded these projects and have a responsibility to keep these going.

**Kinoka Ogsbury:** We are under budget on snow removal for this year by about \$20,000, so we could take a look at that. **Steve Lawshaw:** One thing I read is that for every \$1000 we save the HOA, this equates to only a \$1/mo reduction per owner. So if we spend all this time and effort and reduce dues by \$8/mo is it worth it? **Tony Cole:** I would actually like to see the amount of money for snow removal increased in next year's budget, to offset or eliminate the next special assessment--not refund this money as surplus to Owners who can't pay dues. I am a real pessimist, but I think this will go a very long time. I'm with Fauci.

**Steve Latshaw:** Ikon is offering deferrals because they are concerned about losing the entire next ski season. They are looking at the next 12 months going forward as being impacted.

**Matthew Desario:** I would try to reduce Operational Costs to provide any savings to Owners. I understand it might not be much, but I think we need to start having plans in place. I agree that 2 months ago it was ludicrous to imagine Alterra and the Town, either this summer or fall stating that after much research on ways to mitigate spread, they've decided to cancel the 2020-2021 ski season until a vaccine is publicly available. But I would have also said it would be impossible that the entire world would shut down for 6 weeks. The world is different than it was 2 months ago. While I hope we don't lose the ski season, I think we need to prepare for a scenario where Owners can't make use of their property for the next 12 months.

**Kinoka Ogsbury:** I think we need to have a plan B, and a plan C, so that we know how to act quickly if things continue for a long time. **Ruth Wheeler:** This might not affect people who don't rent. It might not affect all demographics at Hidden Valley. Long term residents might not be affected by a shutdown. Owners who don't rent may not be affected. Owners who own their homes and are able to afford the current dues, even if those who have invested in rental properties cannot. So we can't just respond to those who have lost rent and not protect the association. If someone is behind a certain amount, we've got to lien their property. We saw this worked in 2008. **Jeff Risse:** We need to communicate that we are empathetic to the Owner's concerns but also be clear that we don't just collect money and sit on it we have a process to spend it judiciously on planned repairs and operating expenses. The letter should explain 'we are looking at it, but we are not making a knee-jerk reaction.' **Steve Latshaw :** Agree with Jeff we need to send a letter out so when owners see us painting buildings they don't freak out. **Ruth Wheeler:** I will compose a letter and email it out within a week. Tony can edit it before sending it to owners. **Dave Natali:** We need to be blunt with owners in the letter that if things get bad, some people may lose their homes. **Ruth Wheeler:** That's true. Sadly.. But we have to keep the contingency fund and HOA in good condition to project property values. Even if those owners in distress have to sell, new buyers will look for a well-run HOA, with good management and ample reserves. This will decrease foreclosures and help to maintain property values for all Owners. We keep our current 10 day reminder letter for late owners, continue to charge interest, and

then lien referral to ALS. It's the owner's duty to reach out to the Board to arrange a payment plan. If we consider a payment plan, it needs to include 70% of their dues even if we approve it, because 70% of our dues covers current Operating expenses.. We have to charge interest on anything Owners don't pay on time. Owners could borrow against their 401K to pay the HOA dues. And it has to be consistent; Automatic lien process without discretion when a threshold is reached; X # of dollars in arrears or 1 month behind.

**Dave Natali:** I Agree with Ruth. And maybe we should charge 12%. Just thinking aloud, 1% per month. That will incentivize Owners to borrow elsewhere instead of coming to the HOA.

**MOTION by Matthew Desario;** Move to waive late fees and penalties for individual Owners--excluding units owned by members of the Board of Directors of HVV--who contact the HOA or Butner to report financial hardship due to Covid-19, for a period not to exceed 60 days from initial contact by Owner, no later than July 10, 2020. Second: Tony. **Motion fails 2-5.** Yes: Matthew Desario, Kinoka Ogsbury No: Ruth Wheeler, Dave Natai, Steve Latshaw, Jeff Risse, Tony Cole.

Jeff Rissue; I think we would need to verify the claim of hardship, but I'm not comfortable with having to judge.

**Motion by Matthew Desario;** Move direct the Treasurer to create a budget and action plan within 7 days to drastically reduce Operational Costs during the Covid-19 pandemic, with the stated goal to provide (2) contingencies budgets should a) Alterra shut down for the 2020-2021 season and b) If Mammoth is prohibited from allowing short term rentals and non-resident tourism for the next 10 months. Second Tony: Said budget to be discussed with Management, and voted on by the Board within 7 days of preparation via a SPECIAL Meeting. Second Tony Cole. **Motion passes 4-0-3.** Yes: Matthew Desario, Tony Cole, Jeff Risse, Kinoka Ogsbury Abstain: Ruth Wheeler, Dave Natali, Steve Latshaw

1. Homeowner Forum
  - a. Open floor for homeowner comment – 3 minutes per speaker
  1. Announcements:
    - a. Board Meeting Dates for the remainder of 2020 June 27, 2020 in Hidden Valley Common area Room, 9:00 with Exec Meeting following September 26 at 318 Apolena Ave. Balboa Island (Newport Beach) , 9:00 with Exec Meeting following add November meeting.
  2. Meeting adjournment. Adjournment: Meeting adjourned at 8:57PM