

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

**Date of Meeting: Wednesday, September 16, 2020**

**Time: 7:00 PM Exec Meeting Following**

**Location: 318 Apolena Ave, Balboa Island, CA 92662. (Attendance via zoom only)**

**Ruth Wheeler is inviting you to a scheduled Zoom meeting.**

**Topic: Hidden Valley Discussion of Budget Special Board Meeting**

**Time: Sep 16, 2020 07:00 PM Pacific Time (US and Canada)**

**Join Zoom Meeting**

**<https://us02web.zoom.us/j/86906832164?pwd=bDhCYjhBUkJ2aG1RaFVoZW1yS1pCdZ09>**

**Meeting ID: 869 0683 2164**

**Passcode: 315366**

**If you have difficulty accessing the zoom meeting you may call (760) 500-0740**

**General**

A. Call to order by President Ruth Wheeler: 7:04

B. Roll call. Board Members: Ruth Wheeler, Steve Latshaw, Tony Cole, Kinoka Ogsbury, Jeff Risse, Matt Desario, David Natali. Homeowners: Mike Tikunoff and Laura Samuelson-Tikunoff, Units 38 and 21 Laurie Leech Unit 42

C. Announcements/Orders of the day: Meeting will be focused on the operating budget. If time allows we will move on to the Reserve Fund portion of the budget.

F. Changes to order of agenda - None

G. Recusals - None

H. Adoption of minutes

Motion: Tony Cole; adopt minutes as posted on Google docs subject to revision and more precise verbiage.

Second: Ruth Wheeler

Passed 7-0

**Business discussion Items**

1. Homeowner Forum, Hard stop 7:30

Homeowner Comments:

- Management fees seem excessive.  
Yes, they are higher than previous company, this company is saving the HVVOA in other expense items of the budget.
- Did management contract go out to bid; did we chose lowest bid?  
Yes, The BOD solicited 4 bids and interviewed 3 management companies. The bid amounts we received were approximately the amount that we are paying OFPM.

- Proposed tools and equipment purchase budget figures seem high.  
Pool and jacuzzi budget lower; BOD will look at all line items for the budgeting process.
- Pool water temperature was cold in Aug. & the upper pool and spa seem to break down often.  
Received suggestions from owners; Board needs to learn what happened, why.
- Landscaping proposed budget figure seems high. What does HVVOA budget include for landscaping?  
Tree removal when necessary; gradual replacement tree planting. A spreadsheet will be provided during the meeting.
- Fire Danger; can HVV management clear accumulated pine needles, leaves & brush in areas on adjacent properties; specifically abandoned buildings north of former tennis court and TOML right of way between Lake Mary Rd and buildings A, B, & C?  
Management has moved the woodpile that was left by previous managers near a propane tank.

## 2. Review and Discussion of Draft 2021 Budget, Hard Stop 8:30

General Comments and discussion Topics included:

- It is difficult to develop a zero-balance budget this year based on 2020 costs because of the unusual circumstances caused by COVID-19.
- Some year-end projections may not be accurate due to COVID-19 anomalies.
- HVV buildings are aging; unexpected expenses occur due to breakage and wearing out as useful life span is reached. Treasurer recommends such contingencies should be considered for line item expenses.
- HVVOA currently has surplus in the operating fund of approximately \$50,000 some of which is due to low snowfall removal costs in 2020. BOD will look for areas of the budget which can be reduced to save on monthly dues.
- It was decided to look at each line item and find a balance between the actual regular recurring expenses and other costs. The following chart shows the 2020 Operating Fund budget, (Grey) the treasurer's Proposed 2021 budget, (Green) and the Finalized Operating Fund Budget (Yellow)

The Finalized Operating Budget reflects a reduction in cost of approximately \$23,500

The Finalized operating fund budget considered regular recurring expenses, data that reflects historical expenses, management, and board input regarding probable 2021 expenses.

- All board members participated in discussion & decisions.

	Budget	Proposed Yearly Budget	Finalized Yearly Budget	2020 Amount -Finalized Amount
<b>OPERATING REVENUES</b>				
Common Area Assessments	373,204	363,408	355,958	23,496
Snow Removal Spcl Emrgncy Assessment	-	-		
Late Charges & Lien Fees	500	1,200		
Interest Income	5,000	3,500		
Miscellaneous Income	-	-		
Vending Machine Income	750	750		
<b>TOTAL REVENUES</b>	<b>379,454</b>	<b>368,858</b>		
<b>ADMINISTRATIVE EXPENSES</b>				
Uncollectible Assessments	-	-		
Accounting Services	12,500	12,500	12,500	0
Board & Meeting Expenses	500	500	180	320

Insurance	33,280	33,280	32,200	1,080
Legal Services	2,500	2,500	2,500	0
Legal Services - Gov'g Docs	-	-		0
Management Fee	150,288	151,032	151,032	-744
Office Supplies & Postage	3,200	2,500	2,500	700
Taxes	50	50	50	0
Telephone	6,500	5,000	4,000	2,500
<b>TOTAL ADMINISTRATIVE EXPENSES</b>	208,818	207,362		
				0
<b>MAINTENANCE &amp; SUPPLIES</b>				0
Asphalt Maintenance	-	-		0
Truck Expense	6,500	3,600	3,600	2,900
Buildings	16,000	10,000	8,000	8,000
Landscaping	5,000	6,000	2,000	3,000

Pool, Jacuzzi & Sauna	10,000	6,000	6,000	4,000
Tools & Equipment	2,000	5,000	2,000	0
<b>TOTAL MAINTENANCE &amp; SUPPLIES</b>	39,500	30,600		39,500
				0
<b>UTILITIES</b>				0
Cable TV	-	-		0
Snow Removal	40,000	35,000	35,000	5,000
Electricity	18,000	18,000	16,500	1,500
Propane	19,500	19,500	19,500	0
Trash Removal	16,136	20,896	20,896	-4,760
Water & Sewer	37,500	37,500	37,500	0
<b>TOTAL UTILITIES</b>	131,136	130,896		
				0
<b>MAJOR PROJECTS</b>				0
				0
<b>TOTAL MAJOR PROJECTS</b>	0	0		0
				0

<b>TOTAL OPERATING EXPENSES</b>	379,454	368,858	355,958	23,496
<b>OPERATING REVENUE LESS EXPENSE (DEFICIT)</b>	-	-		
<b>CONTINGENCY EXPENSES</b>		0		

	<b><u>Comments</u></b>
<b>ADMINISTRATIVE EXPENSES</b>	
Uncollectible Assessments	
Accounting Services	Based on Confirmation by Cindy Butner
Board & Meeting Expenses	Cost of Zoom for 1 year
Insurance	0% increase budgtd 2021; Increased 4% in 2020 (Auto, Fidelity, Umbrella)
Legal Services	Increased based on 2020 actuals
Legal Services - Gov'g Docs	
Management Fee	0% Increase in 2020; budgeted 3% Increase in June 2022.
Office Supplies & Postage	reduced \$700 since Butner will be doing more and more online.
Taxes	Minimum Payment and Filing Fees - drop to \$50 in 2017 due to HOA filing status
Telephone	Reduced \$1500 from 2020 based on actuals and Matt working on getting better rates.

<b>TOTAL ADMINISTRATIVE EXPENSES</b>	
<b>MAINTENANCE &amp; SUPPLIES</b>	
Asphalt Maintenance	Covered by reserve funding
Truck Expense	Based on regular recurring expenses for 2020 and need for Tire and Chain purchase 2021
Buildings	Reduced based on 2020 actuals and estimate of unexpected expenses due to older buildings. Very Difficult to assess
Landscaping	Based on regular recurring expenses for 2020
Pool, Jacuzzi & Sauna	Reduced \$4k based on 2020 actuals. Still have leak that needs to be fixed here.
Tools & Equipment	Based on Info provided by management and cost of Snowblower maintenance
<b>TOTAL MAINTENANCE &amp; SUPPLIES</b>	
<b>UTILITIES</b>	
Cable TV	Should be \$0. Bulk bill rebilled to units
Snow Removal	Reduced to 35k based on high balance in contingency fund and potential savings on snow shoveling
Electricity	0% increase budgeted but left as 2020 because usage inaccurate due to Covid
Propane	0% est increase based on 2019 actuals.
Trash Removal	Increase \$4.7k as rates increasing 5.6% increase each year from 2021-2026 (\$1562 +\$87 recycling)
Water & Sewer	0% increase budgeted but left as 2020 because usage inaccurate due to Covid

<b>TOTAL UTILITIES</b>	% increase in operatating expenses Y over Y
<b>MAJOR PROJECTS</b>	
<b>TOTAL MAJOR PROJECTS</b>	
<b>TOTAL OPERATING EXPENSES</b>	Reduction In Operating Costs from 2020 of \$23,496

3. Recess to Executive Session 8:38 PM

4. Items discussed in Executive Session

- \*Report of barking dog on roof overhang of stairs;
- \*Inoperable truck that leaked fluids on driveway/parking area; subsequently towed off HVV premises;
- \*Protocol for management to communicate with owners regarding rule violations;
- \*Follow up on owner comment regarding chilly pool temperature last week in August—prior to closing pool for season.

**Meeting adjournment: 9:00**