

Shadow Brook Homeowners' Association

November 18, 2015

Board Meeting Minutes

Location: Bret Harte Middle School, San Jose CA

Board Attendees: Patrick Smith, Staci Tenczar, Henry Blankenheim, Karen Rockwell, and Mike Beyersdoerfer

Meeting was called to order by the president at 7:05PM

Agenda Items

- Open & Welcome
- Profile of Shadow Brook HOA & Swim Club
- Financial Update
- Pool Entry Process and Membership Card Distribution
- New Rule Proposal: Drought Resistant Policy
- Parking Lot and Pool Deck Replacement Project
- ACC Update
- Open Forum/Q&A

Open, Welcome, & Board Introduction

- 23 homeowners in attendance (count based on sign-in sheet)
- 5 attending board members introduced themselves

Profile of Shadow Brook HOA

- Registered planned community development with State of California
 - Governed by CCR's, By-Laws, Policies, and Davis-Stirling Act
- Non profit 501c organization
- 318 homeowners and 125 associate members
- Annual average income of \$200,000+ and operating budget of \$225,000
- Fiscal year is from March 1st through February 28th
- Approximately 25 seasonal employees
- Insurance coverage includes: Liability/Property, Directors, & Officers

Davis Stirling Common Interest Development Act Discussion

- Governs condominium, cooperative, and planned unit development communities in CA
- Enacted in 1985 and comprehensively reorganized and recodified by Assembly Bill 805 in 2012
- Under Davis-Stirling, a developer of a common interest development is able to create a homeowner association (HOA) to govern the development.
- Even though it is not a governmental entity, the HOA operates like one in some respects. As recognized by the Supreme Court of California, the Declaration of CC&Rs is the constitution of the HOA and is legally binding upon residents to the extent that it does not conflict with state or federal law
- The HOA's board may enact rules which are legally binding upon residents as long as they do not conflict with the CC&Rs or state or federal law.
- The HOA is also allowed to charge regular fees to homeowners within the development (comparable to taxes).

2015 Financial Status and Discussion

- Overall message was HOA is financially strong
- FY14 total income was \$261,761
- FY14 total expenses were \$268,828
- Majority of expenses are maintenance and repairs to swim club
 - We have a first class swim facility and we will maintain like a first class facility
- Cash on hand was \$277,740
- Fiscal 2015 reports will be provided once approved by HOA accountants after fiscal close

Next Season Pool Entry Process & Membership Card Distribution

- New Process implemented last season
 - Positive experience for homeowners and pool staff
- Gate attendant present while pool is open
- Quick customer service
- Guest fees collected
 - Main goal is not financial. It is to ensure only Shadow Brook homeowners and guests enter pool.
- Positive feedback from Members and Assoc Members on new process

- Four cards will be distributed to households and associate members as defined by Shadow Brook By-Laws, and not extended family members
- Many questions were raised about who qualifies for unaccompanied pool visits
- Lots of questions around definition of household
 - Grandchildren were the most common questions family member discussed
 - Board will need to consider concerns and questions from homeowners before making a final decision on this new process
 - Homeowners who rent property will be required to transfer pool rights to renter
- Members need to be present at all times with guest at pool
 - Another big topic of discussion with many questions from attending homeowners
 - Board reminded audience this rule currently exists in most recent pool rules
- Parity and fairness is the most important goal
 - Board cannot cater to all individual needs or situations
- Board will need to continue to solicit feedback and meet again before making a final recommendation

Proposed HOA Rule: Drought Landscaping Rule (Currently in draft mode)

- Update to California law is requiring HOA to create new Drought Landscaping Rule
- Proposal for approved native plant and low water landscaping
 - Homeowner is required to maintain the aesthetic appearance of the landscaping over the lifetime of the approved design
- Synthetic Turf Installation
 - ACC working on guidelines for turf installation
 - Looking to establish minimum quality standards
 - Installment guidelines
 - Maintenance requirements
 - Failure to maintain appearance will result in actions by at ACC and/or HOA board

ACC Update

- Yard waste reminder: yard waste can only be put out 24 hours prior to city pickup
- Homeowners are responsible for sidewalk maintenance and are liable should injuries occur

Meeting was brought to close/adjourned at 9:05PM.

