



Welcome

Shadow Brook Board & General Meeting

December 11, 2018
Bret Harte Middle School

Agenda

- Open & Welcome
- Finance Update
- 2019 Dues
- Pool Update
- Pool Chlorine Incident
- Open Forum/Q&A
- Close Meeting
- Post Meeting:
 - Leland & Bret Harte Relocation & Demolition

Shadow Brook Profile

- **We are registered as a Planned Community Development/CID with CA**
 - **Governed by CCR's, By-Laws, Policies, and Davis-Stirling Act**
- **Corporation, Non Profit 501 c**
 - Taxes – Federal Return and State Return prepared by CPA firm**
 - Registered with the Sec of State of California as an HOA**
- **318 Homeowners and 125 Assoc Members**
- **Annual Operating Budget of over \$256k**
- **Annual Income/Revenue averages \$279k+**
- **Annual average of \$4834 into Workman's Compensation Plan for State of California**
- **We interview, hire, manage and pay 38+ seasonal employees a year**
- **Among the annual filings – State Corporations, Taxes etc.**
- **Insurance Coverage – Liability/Property and Directors & Officers**
- **No Property Manager, Business Manager or Agent**



FINANCE UPDATE

FY 2018 ACTUALS [AS OF DEC 10]

- Dues Income = \$192,125
 - Member Dues = \$126,800 + Associate Dues = \$64,925
- Other Income = \$90,623
 - Swim lessons, swim team, parties, guests, events

Total FY18 Income = \$282,748

- Wages & Taxes = \$98,603
- Maintenance/Improvements/Utilities = \$60,132
- Insurance = \$16,361
- Pool Incident Costs = \$20,813
- Attorney Retainer = \$25,000* [escrow]

Total Expenses = \$264,554 FY18 gain = \$18,194

Cash on hand \$19,449 [+ \$25k Retainer] = \$44,449



2019 DUES

2019 Dues Increase

- Shadow Brook has been fortunate to have dedicated and skilled volunteers – saving money and keeping dues ‘artificially’ low
- Homeowner Dues Increase is needed due to
 - Outsourcing of duties/functions in 2019 – Estimate of \$30k
 - Bookkeeping
 - ACC & Other Duties
 - Increase in ongoing costs
- Historical Dues
 - 2005: \$300 > \$325
 - 2009: \$325 > \$340
 - 2014: \$340 > \$365
 - 2017: \$365 > \$400
 - 2019: \$400 > \$500
- Propose Assoc Member Dues increase \$515 > \$525
- Combined 2019 Dues Increases will net approximately \$33k

Motion

- Motion: Move to increase 2017 Homeowner Dues to \$500
- Motion: Move to increase Associate Member Dues to \$525



JUNE 14 POOL INCIDENT

Timeline

- June
 - Pool accident on June 14
 - Counsel retained
 - SB opens Workers Comp Claim
 - Begin tracking all related expenses/costs
 - Multiple inspections and investigations begin
 - Facility cleared to open

- July
 - All Employees are reimbursed for ambulance, hosp & medical
 - Non Employees working directly with Esbro on reimbursement
 - Criminal charges filed by DA against Esbro and employee

Timeline Con't

- October
 - SB Insurance Carrier inspects facility [not related to incident]
 - Esbro Chemical & individuals convicted by plea of misdemeanor violation of Health and Safety Code 42400.1 – negligent emission of an air contaminant

- December
 - Probation Report and Sentencing for criminal case
 - Work with counsel on leveraging criminal case and next steps

<http://www.scscourt.org>

Search Options:

Last Name:	<input type="text"/>	First Name	<input type="text"/>
Filing Date:	<input type="text" value="Month"/> ▼	<input type="text" value="Year"/> ▼	Case Number: <input type="text" value="C1897469"/>
Date of Birth:	<input type="text"/>	(mm/dd/yyyy)	<input type="button" value="Search the Index"/>

2 record(s) found.

Last name	First name	Middle name	Gen	Case number	File date	Party ID
CASTANEDA & PERE	Z INC., DBA	ESBRO CHEMIC	AL	C1897469	8/22/2018	1138
PEREZCASTILLO	JESUS			C1897469	8/22/2018	1138188001



POOL REMODEL

Remaining Work

- Reseal coping near diving blocks
- Minor electrical & wiring work
- Add gazebos [replacing old trellis]
- Final Inspection
- Final Payment/Installment to Contractor [\$20k]



SHADOW BROOK

Shadow Brook Pride

First Annual
Shadow Brook
Neighborhood
tree distribution

Red Bow Brigade

Thank You Lydia
and all volunteers!!





Q&A / DISCUSSION



CLOSE OF MEETING