



Shadow Brook Swim Club Homeowners' Association

Board of Director's Meeting

December 11, 2018

Location: Bret Hart Middle School, San Jose CA

Board of Director - Attendees:

President = Patrick Smith
VP Social/Pool = Staci Tenczar
Treasurer = Karen Rockwell
Secretary = Mike Beyersdoerfer

Call to Order: 7:10 pm

Board President started meeting at 7:10PM

Agenda:

- Open & Welcome
- Finance Update
- 2019 Dues
- Pool Update
- Pool Chlorine Incident
- Open Forum/Q&A
- Close Meeting

Profile of Shadow Brook

- 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

FY18 Actuals Discussion

FY18 Income = \$282,748

FY18 Expenses = \$264,554

FY18 Balance = \$18,194

- Questions on legal expenses around pool incident
- President explained differences between month expense and \$25K retainer

2019 Dues Increase

- Outsourcing increase with estimate of \$30K in costs
- Historical Dues Increases
 - Only 4 times since 2005
 - 5th increase proposal \$400 to \$500
 - Proposal for associate dues increase \$515 to \$525
- Combined 2019 dues increases will net approximately \$33K
- Discussion on why a dues increase is needed
- No objections from Homeowners
- Question on invoicing timing
 - Invoices previously went out in Feb/March to align with our Fiscal Calendar
 - Moved to January two years ago to align with Fiscal Calendar change [now on calendar year]
 - Late fees will apply to both Homeowners and Assoc Members

Motion to move 2019 homeowner's dues to \$500

- Second received by Karen Rockwell
- Motion approved

Motion to move 2019 associate dues to \$525

- Second received by Mike Beyersdoerfer
- Motion approved

Pool Incident Update

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

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

Pool Remodel Project

- Cost Review
- Remaining work

Thanks for Tree Distribution for Holidays

- Special thanks to Lydia and all the other volunteers who helped with the ribbon and tree deliveries and coordination

President closed the meeting at 7:59PM