



## **Kono Tayee Homeowners Board Meeting**

**Saturday February 2<sup>nd</sup>, 2019 Lucerne Senior Center at 10:00 am**

### **1.) Present at Meeting**

Jim and Becky Hiss, Ross Calvert, Sarah Glenn, Debbie Pryor, Debi Cormack, Marlene Melcher, Tom Atteberry.

### **2.) Call to Order/Opening of Meeting**

Jim Hiss called the meeting to order at 10:04 am and led the members in the Pledge of Allegiance. Board members present included Jim Hiss, Debbie Pryor, Sarah Glenn and Tom Atteberry. Jim Hiss announced that John McCloskey was not present due to being really sick and staying home. Jim Hiss announced that a quorum was present.

### **3.) Approval of minutes from January 5<sup>th</sup>, 2019 meeting**

Debbie Pryor made a motion to approve the minutes from the January 5<sup>th</sup>, 2019 Board meeting. Sarah Glenn seconded the motion and it was approved by all.

### **4.) Minutes from Executive Meeting January 5<sup>th</sup>, 2019**

#### **A.) New changes to HOA Financial Review and New Insurance Requirements**

Financial Review Requirements are:

Statement from Bank

Check Register

Monthly General Ledger

Delinquent receivable reports

The By Laws will need to be updated to reflect the requirements.

B.)Docks in Parcel B & ongoing communication with the homeowner is continuing.

C.)Dues Collection options for Parcel #060-022-090-000. The Board has decided to file a Lien on the property.

D.)Discussion on proposed Road work to be done in 2019

E.) Raising yearly dues was discussed with the added costs to HOA's and the new Bill AB 2912 Civil Code 5500, the roads repaired, landscape agreement.

F.)Adjournment, The meeting was over at 2:35 pm

Jim Hiss made a motion to approve the minutes from the Executive Meeting January 5<sup>th</sup>, 2019. Tom Atteberry seconded the motion and it was approved by all.

### **A.) Minutes from Executive Meeting January 29<sup>th</sup>, 2019**

The Board explained the problem with Docks in Parcel B and offered a proposal for a resolution. The Board expects an answer within two weeks.

Jim Hiss made a motion to approve the minutes from the Executive meeting January 29<sup>th</sup>, 2019. Tom Atteberry seconded the motion and it was approved by all.

### **6.) Rewrite Tenant Responsibility Form**

Tom Atteberry talked about the responsibility of the member and the form. Why would a member refuse the amenities to their tenants and state they are not responsible. The By Laws state that the member is responsible on pg. 20 of 28 II. None of the foregoing shall relieve property owners from liability for the conduct of their tenants or guests. There was discussion as why would an owner limit access to the amenities of Kono Tayee.

A.) Jim Hiss made a motion to delete the two paragraphs where the Owner would choose one of the following statements. The second part of his motion is to add a paragraph from the By Laws pg. 20 of 28 section D in the first paragraph, first sentence outlining the guidelines of the HOA and the time frame the form should be filed with the Association. Removing the last two sentences of the first paragraph. Sarah Glenn seconded the motion and it was approved by all.

## **7.) Treasurer Report**

A.) Debbie Pryor sent an email to the Budget Committee trying to schedule a date to meet, possibly in March. Debbie handed out a Petty Cash Guidelines and there was a discussion if we really needed to keep any petty cash. The new bill that took effect January 1<sup>st</sup>, 2019 doesn't mention petty cash. Debbie asked for a discussion regarding petty cash at the next Board Meeting.

B.) Jeanne contacted Debbie regarding the cost for the Web Posting. Jim Hiss made a motion to pay for the Web Posting July 2019 through July 2021 at a cost of \$413.82 Sarah seconded the motion and it was approved by all.

C.) Debbie spoke regarding Parcel #060-022-090-000 is delinquent in their dues. Debbie said she has made several attempts in different ways to get paid to no avail. Jim Hiss made a motion that Tom goes to the recorder's office and obtain a form. The form will be sent to the Attorney for further action and spend up to \$750.00 to cover attorney fees. Debbie Pryor seconded the motion and it was approved by all.

D.) Debbie Pryor made a motion to file an assessment lien against the property owner for the dues and associated costs. Jim Hiss seconded the motion and it was approved by all.

E.) Debbie then spoke regarding the Association Insurance Bond coverage and clarification about the CPA Audit requirement. Our Insurance provider is stating we have a CPA Audit as part of the new Bill requirements. Jim Hiss made a motion to allow Debbie 2 weeks to research whether a non CPA Audit is sufficient. Otherwise a CPA Audit must be done. Sarah Glenn seconded the motion and it was approved by all. Debbie provided print outs of the Banking Summary, Account Balances, Itemized Categories and the Chase Accounts Summary which are attached.

## **8.) Friends and Neighbors Committee Report**

Debi Cormack doesn't have a report because she didn't send out any cards since the last meeting.

## **9.) Roads, Proposal of motions**

A.) Jim Hiss spoke in regards to the report in Jim Valentine's absence. Jim tried calling a business out of Lower Lake but they haven't returned his call. Jim Valentine was unable to get anymore bids.

B.) Sarah Glenn made a motion to accept Valley Paving's proposal of #1 the crack sealing on Alston Way, Kono Way and private driveway at end of Richard Dr. with a cost of \$5,400.00 and #3 the repair on Richard Dr. extension with a cost of \$9,600.00 totaling a cost of \$15,000.00. Tom Atteberry seconded the motion and it was approved by all.

## **10.) Financial Review and Proposed changes to the By Laws required by Section 5500**

A.) Jim Hiss is proposing for the April 13<sup>th</sup>, 2019 Board Meeting By Laws pg. 7 of 29 (f) would be deleted and replaced with the new civil code as follows:

(f) California law ( Civil Code 5500, 5501, 5380 January 1, 2019 ) increases the financial review requirements and reporting of HOA Boards, limits the ability of automatic transfer of funds without Board Approval, requires an independent yearly audit by a CPA, and imposes a requirement for purchasing and maintaining a fidelity bond.

1. Transferring funds greater than \$10,000 or 5 % of a HOA's combined reserve and operating account deposits require prior written approval of majority of the Board.

2. The Board is required to review and report the Association's check register, monthly general ledger, and delinquent assessment receivable reports on a monthly basis.

3. If the Board does not meet on a monthly basis an Executive Financial Sub Committee consisting of the treasurer and 1 other Board member selected by the Board on a yearly basis reviews the financial information. That review is

subsequently ratified by the Board at its next meeting and is placed in the minutes.

4. The Board's financial reports will be annually reviewed and audited by a CPA.

5. The Board is required to purchase a Fidelity Bond, a form of insurance protection which covers losses that the Association incurs. The coverage amount is equal to or more than the combined amount of reserves and total assessments for three months. The Board must also include coverage for computer fraud, funds transfer fraud, and dishonest acts by the Board members.

### **11.) Resident's questions and comments**

A comment was made about the Redwood Trees in the grove area that are dead, probably should be removed to prevent any further problems.

A comment was made in regards to the landscaper, that he hasn't been seen lately. Debbie said she would contact the Landscaper to make sure he is doing what we ask.

### **12.) Adjournment**

Next Board meeting is April 13<sup>th</sup>, 2019 10:00 am at the Lucerne Senior Center.

The meeting was adjourned at 11:52 am.