

RIO VISTA COMMUNITY ASSOCIATION

Board of Directors Meeting
WEDNESDAY, September 23, 2015
6:00 p.m. @ Rio Bravo Country Club

___ Agenda

x **Minutes**

<u>No.</u>	<u>Item Description</u>	<u>Ref.</u>	<u>Discussion</u>	<u>Action</u>
1.	<u>Commencement of Meeting</u>			Meeting started at: 6:06 p.m.
1.a	Meeting Agenda Presentation / Pre Meeting Adjustments to Agenda			Pre-meeting adjustments to agenda: <ol style="list-style-type: none">1. Item 2.a.3, Corporate Banking Resolution added.2. Item 3.a, amount of \$68,622.30 for Operating Account; amount of \$123,336.47 for Money Market Account; amount of \$ unknown for Savings CD Reserve Account added based on reconciliation reports.3. Item 3.b, reconciliation amount of \$68,622.30 added.4. Item 3.c, reconciliation amount of \$123,336.47.5. Item 3.d, unable to reconcile by meeting date.6. Item 3.f.2, amount of payment

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corrected from \$795.00 to \$750.00 --
new check issued for Plahn
Landscape.

7. Item 3.e, added Andrea Hill, CPA,
bid for accounting services.

- 1.b Call to Order – Roll Call of
Directors

Board of Directors

Fred Wiley, President (FW)	Present
Raj Doshi, Chief Financial Officer (RD)	Present
Jeff Thompson, Secretary (JT)	Present
Craig Michaud, Member at Large (CM)	Present

Other Guest(s)

Phil Crosby, RVHOA (PC)	Present
HOA Management Solutions, Inc. by and through Mario Valenzuela (MV)	Present

- 1.c Approval of July 28, 2015, Board
meeting minutes.

Board engaged in review of the minutes. CM
motioned to approve the July 28, 2015,
meeting minutes. RD 2nd – All in Favor.

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1.d Approval of August 26, 2015,
Budget meeting minutes.

Board engaged in review of the minutes. MV pointed out that the August 26, 2015, meeting minutes were added as a supplemental document to the September 23, 2015, meeting packet. RD motioned to approve the August 26, 2015, meeting minutes. CM 2nd – All in Favor.

1.e Review of Committee August 14,
2015, Meeting Summary with Rio
Vista Estates Community
Association (Non-final summary)

Board engaged in review of the August 14, 2015, Committee Meeting Summary. Discussion was had. CM questioned and made recommendations on how to handle future build-out the 22 Rio Vista Estates lots. PC noted that prior attorney opinion that a lot prevailed over dwelling unit in terms of percentage of contribution. CM suggested that if the transfer from Rio Vista Estates to Rio Vista is made, that lot counts be readjusted at a fixed period for the then upcoming year, i.e., August 2016, for 2017 billing year. CM suggested a simplified yearly re-adjustment period. MV stated that quarterly review is made under RBCA and that accounting for RVCA would not be significant additional work. Additional discussion had on revenue impact to budget, on rear gate security status, on golf course water status, and July 2015, drainage issues. MV to prepare an outline for a letter of understanding, with Rio Vista Estates relative

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to the transfer of the 22 lots from Rio Vista Estates to Rio Vista for billing and revenue recapture purposes. MV to present to Board, and after approval, to Rio Vista Estates.

FW motioned to approve the August 14, 2015, Meeting Summary. RD 2nd – All in Favor.

2. New Business

2.a New Items, Floor Items & Open Discussion

1. Election – Inspector of Elections to Tabulate Ballots, and Announcement of Results
2. California Water Irrigation Issue
3. Union Bank Transition Issue
4. Open Floor

As to Item 2.a.1, the Bylaws require a 25% quorum for an election to proceed, or 11 ballots. MV reported that only 10 ballots were available (comprises of actual ballots and Board members present to vote). Discussion was had on the need to have a continued election meeting within 30 days and changing the October 21, 2015, meeting date to October 7, 2015, in order to have elections and the board meeting on the same day.

RD motioned to continue the election to October 7, 2015, at 6:00 p.m. at Rio Bravo Country Club. CM 2nd – All in Favor.

As to Item 2.a.2, MV presented the information related to the California Water Company termination of service for one of the irrigation meters. It is unclear why

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California Water Company terminated service when all three meters had been set up on automatic payment, and where reflecting scheduled payments. Further, discussion was had about the landscapers being proactive about alerting their supervisors, and in turn, the Board of on-site changes in the landscaping, i.e., the grass drying up. The Board has decided to make a claim against California Water Company for the necessary re-landscaping of the area affected by the erroneously termination of the water meter. MV was asked to get 3 bids, including one from Plahn, and another by a landscaper CM recommended (and emailed to MV during the meeting).

RD motioned to make claim against California Water Service for cost of re-landscaping conditioned upon the future bid selection for the landscaping work. FW 2nd – All in Favor.

As to Item 2.a., MV and FW presented the problems experienced in trying to secure online access, change the account name, and address for the accounts at Union Bank. On several occasions, MV or FW have spoke by phone, attempted online access, and went in person to the local branch, namely on July 26, 2015, and September 21, 2015. On July 26,

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2015, it was represented that the account was updated and an email would be sent to FW providing access. This did not happen. A week before the meeting, it was represented that the account would be re-set and online access would be available. Again, nothing happened. Further, the bank was unwilling to fax bank statements so a basic reconciliation could be conducted. On September 21, 2015, FW and MV were helped at the branch by Mai Le and she called the 'treasury department'. After our visit to the branch, we finally discovered that the checking was established under a wholesale account for Lordon Management and that Lordon Management would have to provide online access rights to the Board. Alternatively, we could close the account and open a new account. Discussion was had about changing banks, getting banking records regarding the signature cards and agreements from Union Bank and/or Lordon Management. RD requested a separate resolution to close the Union Bank accounts and a resolution to open new accounts at Chase Bank.

RD motioned to close all Union Bank accounts as soon as new accounts are established and payments have cleared. MV to prepare resolution. CM 2nd – All in Favor.

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FW motioned to open new bank accounts at Chase Bank, including but not limited to checking, money market, savings, or certificate of deposit accounts as soon as possible. MV to prepare resolution. RD 2nd – All in Favor.

2.b Next Meeting: **Annual and Continued Budget Meeting**
 Date: Wednesday, October 7, 2015
 Time: 6:00 p.m.
 Location: Rio Bravo Country Club

RD motioned to continue Annual and Budget Meeting to October 7, 2015, at 6:00 p.m. at Rio Bravo Country Club from October 21, 2015. FW 2nd – All in Favor.

3. **Financial & Accounting**
 Section 3 Supporting Documents in Attachment 3.

CONSENT – Consent items designated with the letter “C.”

3.a	Financial Summary	C	\$68,622.30 Operating Account \$123,336.47 Money Market (5/31/15) \$76,439.49 Savings (Reserve) (5/31/15) ----- \$268,398.26	Review and discussion of financial matters. RD motioned to approve CONSENT items, including changes as noted in Pre-Agenda changes. FW 2nd – All in Favor.
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3.b	Union Bank Checking [Operating Account] (Ending 8278) Reconciliation for period ending 8/25/15.	C	\$68,622.30
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3.c	Union Bank Money Market (Ending 8367) Reconciliation for period ending 8/25/15.	C	\$122,336.47
3.d	Union Bank Savings CD -12 Month (Ending 5488).	C	\$76,439.49 (unreconciled)
3.e	Financial Reports for July and August 2015.	C	Profit & Loss Statement of Cash Flows Balance Sheet Budget to Expense Andrea Hill, CPA Bid
3.f	Outgoing Funds – Ratification of Payments issued on August 26, 2015, and payments prepared for September 17, 2015, unless otherwise indicated.	C C C C C C C C C	<ol style="list-style-type: none"> 1. \$120.00 to Vacusweep (May 2015) 2. \$795.00 to Plahn Landscape 3. \$120.00 to Vacusweep 4. \$1,463.34 to HOA Management Solutions, Inc. 5. \$195.06 on 9/8/15 to California Water Service (account 9554734079) 6. \$307.53 on 9/8/15 to California Water Service (account 7344360372) 7. \$638.88 on 9/8/15 to California Water Service (account 3299590663) 8. \$108.70 on 8/20/15 to PG&E (8505317686-4) 9. \$750.00 to Plahn Landscape

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- C 10. \$120.00 to Vacusweep
- C 11. \$1,410.26 to HOA Management Solutions, Inc.
- C 12. \$987.21 to Rio Bravo Community Association as 20% share of Anacapa Slurry Seal
- C 13. \$1,290.00 to Rio Vista Community Association (Reserve Transfer)

3.1 Other Financial Items

1. Proposed 2016 Operating Budget for approval
2. Management Agreement for approval
3. Proposed Collection Policy
4. Collection Report (Discussion by account or parcel number only.)
5. Attorney Collection Report (Discussion by account or parcel number only.)
6. Worker's Compensation Insurance Requirement

As to Item 3.1.1, discussion was had on budget. RD requested further categorization of expenses. MV to create ghost account with label main categories for purposes of labeling only and then re-categorized the expenses under the respective category. MV to review expense item '6080 Outside Services' and provide basis for \$5,000 allocated to this expense item via email to Board before next meeting.

As to Item 3.1.2, no action.

As to Item 3.1.3, MV discussed a proposed collection policy that he will circulated to Board via email before next meeting.

As to Item 3.1.4, review of Collection Report made. MV to send Pre-Lien Notice letters via certified mail on 10/1/15 to Owners subject to said collection activity. Discussion of

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payment plan proposal for Owner of Parcel 387-530-30-6 was had. Board expressed concerns and provided terms sought. MV to draft payment plan, circulate to Board for approval, and then present to aforementioned Owner.

Item 3.1.5, review and discussion about Pamela Moore collection report was had. MV to monitor.

Item 3.1.6, discussion was had about the Board's need to have worker's compensation insurance and review of material provided by MV from Davis-Sterling.com and other websites. Although no employees are employed by the Board, a contractor without worker's compensation insurance may expose the Board to liability. Alternatively, the Board can, through management, ensure that contractors are bonded, licensed when appropriate, and insured. Review of the worker's compensation policy also needs to be looked out. Board worker's compensation policy expires in February 2016. Board to determine before renewal if it will maintain worker's compensation. MV to provide worker's compensation as part of management although currently no required as well.

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Item 3.1.7, the Board reviewed the bid for accounting services from Andrea Hill, CPA and considered the bid on the high side. MV to secure two additional bids in order to have a better comparison.

4. **Regular & Ongoing Business**
Section 4 Supporting Documents
in Attachment 4.

4.a Operational Items

1. Architectural Report
2. Inspection Report
3. Owner Complaint
4. Correction Notices and
Disciplinary Intent Notice

As to Item 4.a.1, MV presented summary and existing application. FW indicated that the existing application has been approved. MV indicated that one Owner proceeded with a concrete project without formal approval at the onset of the management changeover. MV to processed belated approval in order to monitor architectural activity in community.

As to Item 4.a.2, MV indicated that Sarah completed the community inspection report, a report was drafted, with a 1 to 3 score, 3 being immediate corrective action is need and 1 being conditions are good. Questions were raised about certain lots. FW would like to join in on next inspection. Certain lots have additional requirements. MV indicated that the report will be monthly and corrective action letters will be circulated to Board for approval before mailing to Owners.

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As to Item 4.a.3, during inspection a certain Owner complained about feces odors at a particular lot. MV to prepare letter as indicated in Item 4.a.2.

Item 4.a.4, MV to prepare letters and design template incorporating architectural policies applicable to each lot.

4.b Roadway Maintenance

1. Speed Bump(s) Placement

Discussion was had on the proposed placement of speed bumps as depicted on the speed bump map presented by CM. FW indicated speed bumps run approximately \$1,800. CM indicated drivers will take the path of less resistance if speed bumps are installed, and as a result, speeders will be slowed. The proposed speed bump map was the starting point to consider along with the traffic count. Other devices to slow speeders could include rumble strips. MV to get 3 bids on speed bumps and/or rumble strips. Notice to owners of speed bumps meeting properly made. Speed bump item tabled pending bids. No consensus on moving forward with speed bumps.

Unrelated comment on need to check on maintenance of street light bulbs.

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| 4.c | Landscape Maintenance | 1. Drainage Outlet Cleaning Update | Discussion had on drainage cleaning schedule. MV to review agreement. PC indicated the agreement was on the CD provided by PC to MV with association records. |
| 4.d | Board Education & Training | Davis-Sterling Newsletter | MV summarized the educational topics. |
| 4.e | Summary of Prior Executive Session Report | | |
| | <u>Adjournment of Meeting</u> | Time: 8:25 p.m. | FW motioned to adjourn meeting. JT 2 nd . – All in Favor |

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Notes:

1. Unless indicated, a quorum has been determined to exist if minutes are approved for the respective meeting date indicated.
2. Incoming and Outgoing Correspondences: General, Billing, and other general correspondences, billings, and communications are not posted for meetings but are available for inspection as required by law. Correspondences bearing key relevance to upcoming meetings are generally listed in agenda.
3. For simplicity, initials of Board & Management members are used.
4. Supporting documents, if any, are placed in order of the appropriate section.
5. Supplemental information to be provided at BOD meeting if it becomes available.
6. Certain information may be redacted in part because of privacy or other reasons per direction of Board but is available for inspection as required by law.