

**SUGARLOAF HOMEOWNERS ASSOCIATION**  
Minutes of the Board of Directors Meeting  
March 28, 2017

**CALL TO ORDER**

The meeting, which was held at the office of PML Management Corporation, located at 655 Mariners Island Blvd. #301, in San Mateo, was called to order by President Bob Kiss at 5:30pm. Other Board members in attendance were Jack Albrecht and Emile Nurisso. Board member Miles Dooher was absent. Deborah McGraw represented PML Management Corporation.

**ANNUAL ELECTION PROCESS COMPLETION**

Number of units:	226
Quorum needed*	115
Ballots cast	120
Voided ballots***	5 unsigned envelopes

**#1 Election of Directors:**

There were 3 candidates for 2 open seats.

- |                  |                        |
|------------------|------------------------|
| 1. Emile Nurisso | 98 votes - elected     |
| 2. Mitra Sadhegi | 65 votes - elected     |
| 3. Tom Werbe     | 54 votes – not elected |

Abstentions	2
Voided ballots	7

**#2 Tax Reduction Resolution:**

**RESOLVED**, that any surplus funds remaining in the Association's budget at the end of the fiscal year shall be applied to the following year's budget as provided for in IRS Revenue Ruling 70-604.

Vote: 112 Ballots in favor  
2 Against  
1 Abstention  
Result: PASSED

**#3 Rental/Lease Restriction Amendment:**

CC&Rs Article 16, section 16.01 Amendments states: "Except as provided for in this section 16.01, any amendment of this Declaration shall require the vote or written consent of fifty-one percent (51%) of the total Voting Power..."  
Therefore, 51% of 226 homes is 115 affirmative votes.

Vote: 69 Ballots in favor  
44 Against  
2 Abstentions  
Result: DID NOT PASS

\***Quorum** is the percentage of eligible voters needed to conduct the election.

\*\***Abstentions** occur when members (i) sign in at the meeting but do not cast ballots or (ii) cast ballots that are not voted, i.e., the ballots are blank. Abstentions are counted toward quorum.

\*\*\*Ballots are **voided** when (i) outer envelopes are not signed, (ii) ballots contain more votes than permitted, or (iii) non-official ballots are substituted for those mailed to owners.

The Board agreed to appoint officers of the Association at the April meeting when all directors are present.

## OPEN FORUM

None.

## AGENDA & CALENDAR REVIEW

The Board reviewed the Agenda and Calendar.

## APPROVAL OF PREVIOUS MEETING MINUTES

On a motion duly made by Emile Nurisso and seconded by Jack Albrecht, the Minutes of the January 31, 2017, Board of Directors meeting were approved as submitted.

## EXECUTIVE SESSION DISCLOSURE

The Board of Directors met in Executive Session on January 31, 2017 to discuss an owner's request for a payment plan for the 2017 association dues, which was approved by the Board.

## REPORTS

**Treasurer** - The Board reviewed the draft February 2017 financial statement as follows:

	Month	YTD Actual	YTD Budget	Variance	Yearly Budget
<b>Total Revenue</b>	1,031	170,661	169,577	(1,084)	169,961
Total Maint. & Repairs	2,838	5,238	10,720	(5,482)	64,300
Total Utilities	709	1,440	3,664	(2,224)	21,980
Total Admin. Expenses	4,457	7,817	8,044	(227)	48,260
<b>Operating sub total</b>	8,003	14,495	22,428	(7,933)	
Total Reserve Expenses	0	0	2,346	(2,346)	14,074
<b>Total Expenses</b>	8,003	14,495	24,774	(10,279)	168,593
Total Assets		514,797			
Total Liabilities		8,115			
Total Fund Balances		506,682	371,061 est year end		

The Board adjourned into Executive Session at 6:43pm to discuss delinquent owner accounts. After discussion, the open meeting was called back to order at 6:54pm.

**Landscape Committee** – Miles Dooher provided the following report:

- Phase 5 tree pruning project- Bids have been requested from Arborwell, Advanced Tree Care, and Loral for review at the April meeting.
- 5-year tree report – Bids have been requested from the following: Arborwell, A Plus Tree Inc., Loral Tree Service, Tree Management Experts, and Professional Tree Care Company.
- Arrangements have been made for an inspection of the city's property that borders HOA property regarding irrigation needs with the Landscape Committee and Mike Blondino (city rep).
- The annual inspection/certification of the association's twelve (12) irrigation Backflow devices will be performed by Jim Cozzolino. Work order 70 sent on 3/6/17.
- The 4<sup>th</sup> quarter Denali reimbursement request for tennis court and landscape maintenance has been received and paid at a cost of \$474.70. The total annual expense for 2016 was \$3,250.09.
- The Sugarloaf sign painting has been put on hold by Signature Painting due to the weather.
- 1653 De Anza and 3417 Leafwood – It was noted that the homeowners are in violation of the association's landscape requirements to keep the front lawn weeds under control. Letters will be sent by PML.
- The committee will research replacement options for the faded Visitor Parking signs.

**Architectural Committee** – The Board reviewed the following architectural approvals which have been granted since the last board meeting:

<u>Date Received</u>	<u>Address</u>	<u>Description of Work</u>	<u>Status</u>
3/7/17	1657 Toyon	To 1) replace the entry-way door with a wooden door, 2) replace the garage door, and 3) replace all windows with Weatherbeter windows in white vinyl	Approval letter sent 3/13/17

- 2017 Audit inspection – Bob Kiss reported that the committee is tentatively scheduled to meet June 4, 2017 to perform this year’s audit.

**Public Safety** – Bob Kiss reported that he is researching to find useful information about handling a snake which can be included in the next newsletter.

**Manager’s Report** – The Board reviewed the manager’s report. No action was taken.

#### **UNFINISHED BUSINESS**

- a) **Annual Election Process Completion** - Previously discussed immediately after the Call to Order.

#### **NEW BUSINESS**

- a) **PML Management Performance Feedback from Board** – Bob Kiss stated that overall the Board appreciates the performance provided by Deborah McGraw as our primary property manager. But, it appears to the Board that Debbie’s bandwidth is being stretched too thin, and there is room for improvement. Bob specifically discussed the following issues:
- Annual meeting ballot packet was sent with the wrong return envelope, causing confusion for many homeowners and jeopardizing the establishment of a quorum during the first ballot window.
  - Recent newsletter sent via TOPS email was not received by HOA members, which is a violation of the HOA Bylaws
  - Another association’s documents were sent with a recent Sugarloaf newsletter
  - Refusal by PML accounting to modify a letter at the Board’s request, which was being sent to all owners regarding bank changes. Subsequent confusion by multiple homeowners validated the Board’s concerns.
  - Request for more consistent site inspections/reports
  - Request for submittal of board meeting minutes within 10 days of the meeting.

#### **ADJOURNMENT**

The next Board meeting was scheduled for April 25, 2017, at the office of PML Management in San Mateo at 5:30pm. There being no further business before the Board, the Meeting was adjourned at 7:39pm.

Respectfully Submitted,

Attested by,

Deborah McGraw, CCAM  
PML Management Corporation

Emile Nurisso, Secretary  
Sugarloaf Homeowners Association