

Esperanza Estates Homeowners' Association (EE HOA) Regular Board of Directors Meeting

Monday, February 20, 2017

Board Members Present: President Tom Cooke, Vice President David Sielken, Secretary Kristin Bean, Treasurer Joan Moreaux, Frank McCabe, Dean Hess, Kevin Welsh, Howland Swift.

Appointed at this meeting and in attendance, Joseph McCalpin.

Meeting was called to order at 1:06 pm. A quorum was established.

Appointment of Director

Ballots were distributed to Board members for the Board appointment of a single director to fill an unexpired term ending with January 2019 elections. Candidates listed were Hugh Gates, Cynthia Krantz, Nancy Ferguson, and Joseph McCalpin. A space for a write-in candidate was provided. Ballots were collected by President Cooke and tallied by Secretary Bean. There was a tie between Joseph McCalpin and Nancy Ferguson. A second ballot, limited to candidates McCalpin and Ferguson also resulted in a tie. President Cooke stated that a coin toss would determine the winner. Secretary Bean indicated that Nancy Ferguson would be indicated by heads, Joe McCalpin by tails. President Cooke flipped a coin. A homeowner retrieved the coin.

The new director is Joseph McCalpin. After being sworn in, Mr. McCalpin participated in the meeting.

The minutes of the December 19, 2016 meeting were approved with one correction.

Treasurer's report was given by Joan Moreaux. Copies of the preliminary balance sheet for January 2017 were distributed at the meeting. Esperanza Estates homeowners can receive copies by contacting the treasurer at jemore@cox.net. Ms. Moreaux explained that the listed donations to Enhancement were monies received by the HOA as designated for Enhancement. In response to a question from a homeowner as to whether Ben Sheffield had reimbursed the HOA as voted at the December 2016 Board meeting, President Cooke instructed Treasurer Moreaux to send a bill to Mr. Sheffield for unauthorized legal fees that had been paid by the HOA.

Board and committee reports followed: Mr. Sielken reported that Capital Projects will be painting some common area walls. Mr. Hess reported on planned mistletoe removal. Discussion of design changes and funding for the Esperanza Monument was tabled due to lack of a current cost estimate.

Old Business: Mr. Swift, Assistant Treasurer, reported on a meeting that he and Treasurer Moreaux had with Kristen Smith, C.P.A., regarding the HOA's need for audited financial statements as opposed to reviewed statements. Ms. Smith estimated that an auditing firm

would charge \$2000 to \$4000 to perform an audit. It was estimated that switching to an accrual based system would increase monthly accounting fees by \$20. President Cooke stated that he would confer with Mr. Swift about goals for creating a financial committee.

New Business: Mr. Cooke then stated that the next item of business was a homeowner request to consolidate two dwellings into one for purposes of voting and assessments. Mr. Cooke stated his belief that such a consolidation would be consistent with Article 1, Section 1.9.3 of the Covenants, Conditions and Restrictions (CC&Rs): *If a Dwelling on a Standard or Quad Lot occupies two or more adjoining Lots or any portion of an adjoining Lot and title to such adjacent Lots is vested in the same Owner, such Lots are considered and treated as one Lot ["Joined Lots"] for the purpose of voting and computing that Lot's share of the annual and/or special assessments. The owner of such adjoining Lots is entitled to one vote for such Lots and shall be assessed one annual assessment regardless of the number of Lots on which the residence is located.*

Motion to Seek Legal Advice Re: Assessment of Dwelling on Adjoining Lots

Ms. Moreaux moved and it was seconded that an attorney examine Article 1 Section 1.9.3 of the CC&Rs, and advise the Board as to the legalities involved in consolidating more than one dwelling into a single dwelling unit for assessment and voting purposes.

Following discussion, the motion **failed** on a count vote.

Motion to Recognize Lots 277 and 278 as a Single Unit

Dean Hess moved and it was seconded that the Board accept Article 1, Section 1.9.3 of the EE CC&Rs as clear and unambiguous and confirm that Lots 277 and 278 titled to Greg Gramstad and Barbara Cottrell are recognized as a single unit for voting and dues purposes.

The motion **passed** on a count vote.

Motion to Accept Heliocol Estimate for Solar Water Heater Replacement

President Cooke moved and it was seconded that the Board approve the replacement of the pool solar heating system by Heliocoil for an estimated cost of \$6420. Discussion revealed that the estimate was for a system with panels rather than coils, that an installation warranty was included and that removal and disposal of the old system was included.

The motion **passed** on a count vote.

President Cooke stated that he would see that the HOA provide the Treasurer with a computer that could be dedicated to Board-related business.

With no objections, President Cooke adjourned the meeting at 2:34 pm.