

Esperanza Estates Homeowners Association, Inc. (EEHOA)

Regular Board of Directors Meeting: March 20, 2017

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

The meeting was called to order at 1:00 pm.

Minutes of the February 20, 2017 meeting were approved as written.

A quorum was established.

Treasurer Joan Moreaux submitted the treasurer's report. Copies of the preliminary balance sheet for February 2017 were distributed at the meeting. Esperanza Estates homeowners can request copies by contacting the treasurer at jemore@cox.net. Current figures over budget were identified as natural gas expenses incurred following shutdown of our solar pool-water heating system which had developed leaks, and common area maintenance requirements.

Kevin Welsh reminded owners to check with the Architectural Control committee prior to planning exterior changes.

Dave Sielken reported that the wall along Vereda Calma will be repaired and painted.

Dean Hess stated that all tall palms on private property need to be trimmed on or before June 30, 2017. Trees not trimmed by that date will be trimmed by a contractor hired by the HOA and homeowners will then be assessed a fee for the work.

Tom Cooke related the saga of the leaking pool-heating solar collectors. Removal of the old system revealed the need for some roof repairs. A roofing contractor was contacted and completed the necessary work. The new system of solar collectors provides for consistent water temperature and comes with a 10 year warranty for parts and labor.

Barb McCalpin reported that the Enhancement Team is considering installing a solar screen in the Ramada entryway. President Cooke stated that no board approval of the design would be necessary due to its location in the Ramada. Proceeds from the EE Homes Tour will be divided between Hospitality and Enhancement.

Gardeners' representative, Jim Copeland reported that work on the Esperanza Park Monument was scheduled to begin this week, with April 15, 2017 being the estimated completion date. Mesquite raffles have added approximately \$1,700 to their coffers.

Old business: President Cooke announced that, in action without a meeting, Secretary Kristin Bean had been appointed by the board as statutory agent for the corporation. Marla Ries reported that Hospitality is planning a Mexican themed celebration in April. The *Esperanza Estates Accounting Review Committee Recommended Actions and Practices Report* that follows was presented by Howland Swift:

1. *Install QuickBooks on the EE supplied treasurer's computer.*
2. *Review all monthly financial statements for the past year and review each month.*
3. *Verify all our CDs for their actual existence and financial returns.*
4. *Require a second signature on all checks over \$500 (or some agreed upon figure.)*
5. *Include accounts receivable and accounts payable on all future balance sheets.*
6. *Establish policy to handle delinquencies and non-payment of dues/assessments with use of liens for properties listed for sale and/or deceased owners.*
7. *Set up a 'bad-debt' account on all statements.*
8. *Review our policy and practice of paying state taxes on our interest income.*
9. *No longer employ Bradley & Smith as our accountants but hire if and when needed.*
10. *Consider ordering an audit by a CPA firm once every five or ten years.*
11. *Consider installing this committee as a permanent one, perhaps entitled Financial Review Committee.*

Discussion of the recommendations revealed that current EE by-laws dictate that all checks must be co-signed, but that banks will process checks with a single authorized signature. It was pointed out that in accordance with state statute, EE by-laws require an annual review of the books. The board's duty to consider individual circumstances in determining action to be taken regarding delinquencies was discussed.

President Cooke stated that he, Treasurer Moreaux, Secretary Bean and Craig Surprise would meet with the committee prior to further discussion of the recommendations.

The meeting was adjourned without objection at 1:53 pm.