

SUGARLOAF HOMEOWNERS ASSOCIATION

Minutes of the Board of Directors Meeting

May 24, 2011

ORDER

The Meeting, which was held at the office of PML Management Corporation in San Mateo, was called to order at 5:36pm by President Bob Kiss. Other Board Members in attendance were directors Jack Albrecht, Bob Bernicchi, Miles Dooher, and Emile Nurisso. Deborah McGraw represented PML Management Corporation.

AGENDA & CALENDAR REVIEW

The Board reviewed the Agenda and Calendar. The date of the June Board meeting was corrected to June 28.

APPROVAL OF PREVIOUS MEETING MINUTES

On a motion duly made by Jack Albrecht, and seconded by Bob Bernicchi, the Minutes of the April 26, 2011 Board of Directors Meeting were unanimously approved as corrected.

REPORTS

Treasurer — The Board reviewed the April 2011 financial statement as follows:

	Month	Y-T-D	Budget	Variance
Total Revenue	1,431	143,342	47,988	(95,354)
Total Maint. & Repairs	2,400	16,234	15,140	1,094
Total Utilities	428	1,762	5,000	(3,238)
Total Admin. Expenses	12,432	23,296	13,816	9,480
Total Reserve Expenses	0	30	16,884	(16,854)
Total Assets		389,310		
Total Liabilities		2,660		
Total Fund Balances		386,650	\$270,528 est year end	

The Board reviewed the Association's current accounts receivable report and noted that there were 5 owners who still have not paid their annual dues. Account 62-00087 is currently in collections, account 62-00012 has requested a payment plan, and account 62-00083 is for sale and should close escrow in the next week. Therefore, Deborah McGraw was requested to apply late fees to accounts 62-00017 and 62-00069 and send them 90 day delinquency letters.

Deborah McGraw stated that Christina Forrest, PML accountant, has contacted Borel Bank (one of the Association's reserve account banks) and determined that the Association could use that bank for their operating account with no monthly fees. However, during further discussion, Deborah McGraw explained that further information from US Bank had been obtained regarding the association's operating account. It appears that since the Association does not use US Bank lockbox services, instead processing homeowner payments through PML, and holds a high balance over \$200,000 with US Bank, the Association has enough "credits" with US Bank to avoid being charged monthly service fees. Based on this information, the Board agreed to keep their operating account with US Bank.

During the 2010 Audit prepared by CPA Karen Hahn, PML's accounting department was requested to make an adjustment to the current financials to identify a year end operating account adjustment of \$3408. Initially the adjustment was made to increase the current year-to-date expenses for common area maintenance and repairs. Instead, an adjustment was made to clear that incorrect expense and apply the \$3408 to the Operating Fund Balance Sheet under Liabilities, Accounts Payable Manual, thereby reducing the amount as of April 2011 to \$260.00 from \$3658.

Landscape Committee – Deborah McGraw reported that letters have been sent to the owners of 3512 Broadview, 3520 Broadview, 3400 Leafwood and 3405 Cheryl Court asking them to clean up the landscaping in the front yards. On another note, Miles Dooher reported that the owners of 3518 Broadview have re-landscaped their front yard very nicely and suggested PML send them a letter of appreciation (Miles to provide draft). The Board then reviewed a proposal provided by Loral Tree Service to remove deadwood on 4 Cypress trees at 1931 Parkwood at a cost of \$1652. On a motion duly made by Miles Dooher, and seconded by Jack Albrecht, the Board unanimously approved of the proposal from Loral Tree Service. The owners of 3413 Westwood have reported 2 dead trees behind their unit. Loral Landscaping

has been requested to provide a cost for their removal. Miles Dooher then stated that, regarding 3413 Douglas, Jim Cozzolino reported that the drains behind the fence are ok, but there have not been any kickboards installed on the bottom of the fence by the owner, as requested by the Association previously. Miles also reported that an irrigation leak was found on Parkwood that ran for 5-6 hours before being shut off and repaired. PML contacted the water department who requested a letter be sent with a copy of the May water invoices, and a copy of the paid bill from Jim Cozzolino, in order for the water charge to be reduced.

The Board then reviewed the charges from the Denali HOA for the 1st Quarter tennis court payment. Due to the increasing water consumption at the tennis court landscaping, PML was requested to help facilitate a meeting with their landscape company, Jensen Landscape Services, and Jim Cozzolino.

Architectural Committee – Bob Kiss reported that the Annual Audit will be conducted during the weekend of 5/28/11. The property at 1813 Parkwood was approved to repaint in existing colors. No other architectural projects approved since the last Board meeting.

Public Safety – Bob Kiss reported that a Sugarloaf homeowner has suggested that the Neighborhood Watch signs need to be replaced because they are worn out. Additionally, the Neighborhood Watch contact person with the Police Department needs to be changed since the previous contact is no longer an owner at Sugarloaf. As a follow up on discussion from the past meeting, the Board recognized the necessity to revitalize the Neighborhood Watch Program and decided to invite the homeowner to the next Board meeting to discuss details of the sign replacement proposal and his interest in leading an effort to revitalize the program.

UNFINISHED BUSINESS

Sugarloaf Monument Repair/Replacement – Emile Nurisso and Jack Albrecht reported that a building permit will need to be obtained from the City of San Mateo if the monument is to be replaced. A rendering of the proposed new sign as it would fit into the existing landscaping will be prepared for Board review. If the Board goes forward with a new sign, the rendering would be submitted with the building permit request.

Sewer Laterals Topic Update – Bob Bernicchi reported that the California Regional Water Quality Control Board has allowed the City of San Mateo to utilize previously levied sewage overflows fine monies to be applied for repair and/or replacement of defective sewer laterals. Therefore, this State involvement is likely to require that any financial support provided by the city for repair/replacement of a private home lateral be based on some measure of household income. The Department of Public Works' (DPW) administrative report which will outline the revised city proposal on sewer laterals is currently being developed, and Sugarloaf expects to receive a copy for comment before the Public Works Committee (PWC) meeting on 6/8/11. Bob Bernicchi and Bob Kiss will review the report and provide feedback on behalf of Sugarloaf to DPW prior the PWC meeting.

Sidewalk Repair (Continue Strategy Development) – Pending inspection by PML in order to provide concrete bids to the Board for review.

NEW BUSINESS

Annual Firebreak Brush Clearing Project Update – Jim Cozzolino has stated that the brush clearing will take place in mid June after the rains have stopped and the grasses have dried out.

ADJOURNMENT

The next Board of Directors Meeting is scheduled for Tuesday, June 28, 2011. There being no further business before the Board, the Meeting adjourned into Executive Session at 7:15pm to discuss legal issues.

Respectfully Submitted,

Deborah McGraw, CCAM
PML Management Corporation