

**PARK PASEO HOMEOWNERS ASSOCIATION**

**Board of Directors**

**SPECIAL GENERAL SESSION MINUTES**

**FRIDAY, JUNE 5, 2020 - 3:00 p.m.**

**VIA ZOOM**

**1. CALL TO ORDER**

A Special General Session Meeting of the Park Paseo Homeowners Association Board of Directors was conducted on June 5, 2020 and was called to order at 3:00 p.m.. by Gus Aarnaes, President. In accordance with California Civil Code, the agenda was posted at least two days prior to the meeting.

**DIRECTORS PRESENT**

Gus Aarnaes  
Yumi Renshus  
Jerry Cheng

**DIRECTORS ABSENT**

Jim McMillen  
Mina Brooks

**ASSOCIA-PCM**

Lynn Wyatt, General Manager

**OTHERS IN ATTENDANCE**

Katherine Howe, Associa PCM

**2. HOMEOWNERS FORUM**

No homeowners were in attendance.

**3. Financials**

The Board of Directors reviewed the Financial report for the month of April 2020 with Management. Miscellaneous items were discussed and action items noted. Exact meeting notes are available upon request.

**5. ADJOURNMENT OF GENERAL SESSION**

**5:00 p.m.**

\_\_\_\_\_  
Printed Name/Title

\_\_\_\_\_  
Approval Signature

\_\_\_\_\_  
Date

June 5, 2020 Lynn, Gus, Katy Howe, Jerry, Yumi

David Cane- add in verbiage that they should bill us within a particular timeframe (30 day? 60 day?) for payment

Our budget is Accrual vs Cash so should be adjusted in the year the service was done

- Will move relevant expenses to 2019 (should be caught by PCM auditing each year)

Change income/expense to reflect budgeting report to real spending vs average over the year. Base it on the past years (summer- patrol one, electric, cost of living etc)

- Katy mentioned Lynn can create a non-official Income and Expense Projection Report (by exporting to an excel sheet) and update the projections to reflect our current spending/projection. (example tree trimming- will update projection going forward to \$0 since no other tree costs should be incurred).
- 2021 will reflect realistic budget

Strongroom- invoice reporting – view only for all Board Members. Do want to give any board members approval ability? Ask Board if they want to grant this.

Board Report: No need to include entire G/L report in the report. Lynn to email G/L report to the Board separately.

Include usual monthly Income/Expense Projection Report. Lynn will e.mail report to us prior to Board Meeting.

Approved Reserve Study to be completed. Goal for reserves 70%. No legal requirement. We are currently at 100%, which is amazing for HOA.

- After Main pool- will drop to much lower %. Pool replacement requirement will move to ~30 years (or whatever we decide). Reserve analysts put in average- they will not bid. We can adjust based on a bid we have.

Prosa pool ~120K +10K addendums (we had ~170K in reserve)

Lynn has a sheet of what we have for reserves and can add projects we have planned, along with bids upfront (ongoing)

If over budget by reserves or operating account:

Reserves- if way over budget- submit what has been done, where we are at each year with the analyst. At 100% reserve- our % funding has dropped. We can figure out how to get 100% by increasing dues OR decrease operating charge. Reserve contributions are over a longer term so not as urgent

Operating: as of today 61K loss before reclassifying last year. If it was this year- we have less cash and will need to be hesitant to spend on all repairs. May not be able to contribute to reserves or worse case- transfer reserve to operating to have cash to pay out. Should pay back within a year.

- Create line item: deficit payout and put 61K
- If we move payments to 2019, is there a loss? Katy and Lynn to follow up for Dec year end.

- Usually PCM auditing will make adjustments between April – July. Katy to follow up when the adjustment is made so Board is made aware. Books will be 'clean' to help Board determine if adjustments are made.

Lynn to make determination of which category to pay bills from. Don't need Board's determination. If she has a question- bring to the Board. If we find discrepancies, we will work together to put in appropriate category (reserves vs op expense)

Bids on other bee companies for same scenario/ Katy says they can do this every couple year

GL March 5195 \$3782 reclass to 5225

Tennis sign in posts- T&s repaired the post as well as the roof on spa building

Lynn to review tree trimming invoices for end of 2019 and 2020 for comparison. Lynn to work with Gus on these.

Katy recommended we consider increasing our budget due to high expenses 2 years in a row. Reserve Study to help determine.

It was noted by that big projects (with big expenditures) are usually not performed at year end due to implications of invoiced amounts carried over to next year. For those at year end, consider adding in verbiage to contract/bid that they will supply invoice by year end.