

**Lake Forest – Summit Owners Association
Board of Directors Meeting
June 14, 2012**

Minutes

1. **Call to Order** – President Will Overholtzer called the meeting to order at 6:30 PM. The meeting was held at the offices of Kocal Management at 1739 Creekside Drive in Folsom.
2. **Roll Call** – Board members Will Overholtzer, Wally Richardson and Doug Harvey were present. Brian Provencal and Helen Austin were absent and Mimi Menzies was in attendance representing The Management Trust, Kocal Division.
3. **Confirm Posting of Agenda:** Management stated the agenda was posted on the guardhouse door at least four days prior to the meeting pursuant to Civil Code requirements.
4. **Executive Session:** An Executive Session was held prior to the open meeting to discuss a member issue and third party contracts.
5. **Approval of Prior Meeting Minutes:** The Minutes of the May 10, 2012, 2012 Board of Directors meeting were unanimously approved as submitted.
6. **Manager's Report:** The Manager's Report was reviewed that included an updated a meeting action list, property review summaries, compliance report and work order log since the last Board meeting.
7. **Financial Report**
 - A. **Treasurer's Report:** Wally Richardson gave the Treasurer's Report that is attached to these minutes. Wally questioned the architectural refundable deposits and how the process works. Management will submit the most current list of deposits to the ACC to determine if any action needs to be taken.
 - B. **Lien Resolution:** In accordance with Civil Code 1367.1, the Board of Directors hereby authorizes and instructs the Association's collection service to record a lien in the full amount of unpaid assessments, late charges, interest and collection fees and costs against the property owned by the member(s) listed on the association's delinquency reported dated **June 5, 2012**, and who are, or become, delinquent beyond sixty (60) days. This authorization shall only apply to those members who have been properly noticed of the delinquent assessment and of their rights as delinquent members in accordance to Civil Code 1367.1.
 - C. The Board further authorized any director to sign and date any and all lien authorization forms as may be required for those delinquent members attached to these Minutes as identified by the association account number.
 - D. **Bad Debt Write Off:** After discussion about the balance of unpaid assessments and due to a foreclosure, the Board unanimously approved writing off \$3,568.80 in bad debt.

8. Committee Reports

- A. **Architectural** – Tom Austin gave the report stating that a letter is being sent to an owner who is doing construction without approval and a tree that needs to be removed that may be subject to the new ACC rules. Management has sent letters to both these owners and will work with the ACC to ensure compliance.
- B. **Landscaping:** Joan Poimiroo gave the report as follows:
 - 1. **Francisco Entry:** Minor shrubs will be replaced where the magnolia trees were removed at the stop sign. This is a Master responsibility.
 - 2. **Lot B:** There are still dead branches left that were not removed when the goat weed abatement was done. After discussion, the Board authorized a \$1,000 dead branch removal cost. Management is to contact Paul Miller to determine if he can do the job. If his bid is greater than \$1,000, Management will go out to bid.
 - 3. **Lot D:** Joan reported that the flax bushes on the corner of Promontory and Hamilton should be removed because of limited visibility for vehicles driving down the street. Management will contact Paul Miller to ensure that is done.
 - 4. **Lot C:** New bushes will be planted to replace the ones eaten by the deer. Management was asked about the "No Pet" signs that were going to be installed. The signs have been made and will be placed on Lot C. There were questions about whether signs were absolutely necessary and Joan indicated that the dog waste is really terrible and requires that something be done so the clean-up is not the responsibility of Capital Landscaping.
 - 5. **Park:** All the trees at the park around the tennis court are doing well. The Board asked about the drinking fountain and Management indicated that the cost to replace the current non-functional one would be too expensive because of the necessity of tying a new fountain into the sewer line located in the street. After discussion, Management was requested to have the existing fountain repaired.
- C. **Social:** The committee chair is vacant and the Oktoberfest is approaching. Wally was commended for detailing everything that is required when that occurs.
- D. **Welcoming:** Management was requested to send a new owner list to Gene Harris and ask if he needs any help. Doug Harvey requested the list as well.
- E. **Lake Forest Master:** Will Overholtzer is no longer on the Master Landscaping Committee because of all the trees that were removed from Francisco Drive. The volunteer position is open.
- F. **Streets:** Will Overholtzer is the new Chairperson for the Street Committee. Brian Provencal submitted the next street repair specs for Carnegie Way that Management put out to bid. Three bids were reviewed in Executive Session and were under the projected reserve study amount, but the Board requested Management obtain additional bids. Skip Brown from Asphalt Consulting was approved in Executive Session to be the Construction Manager for the street repairs within the community. Management was requested to have Skip review and give an opinion on the 2011 repairs that on Harriman to ensure it was done correctly. The opinion will be submitted for the July meeting.

9. Unfinished Business

- A. **Promontory Speeding Issues:** The Board discussed the on-going issue about speeding on Promontory Drive and the previous decision to install stop signs at Lockridge and Promontory. A survey of owners around that area was conducted and indicated that stop signs are not necessary. After review, the Board unanimously approved eliminating the subject of stop signs on the corner of Promontory and Lockridge from the agenda.

- B. **Claim Against ATT – Gate Damages:** Management reported that AT&T is going to submit the claim to Irish Construction since they have stated they did not do any damage to the front gate kiosk. After discussion, the Board determined that AT&T should only be given 30 days to have the claim resolved, whether through them or Irish Construction, or the Board would take appropriate action to attain resolution.
- C. **Tennis Court Sealing and Crack Repairs:** Management submitted three bids to the Board for their review and action pertaining to the tennis court crack repairs and sealing. The Board discussed this subject in an Executive Session and unanimously agreed that Skip Brown should give his opinion. The Board tabled any decision until Skip Brown renders his opinion.
- D. **Entry Clock:** Since only the back side of the entry clock is working, Management was requested to have the face of the clock turned around.

10. New Business

- A. **Pedestrian Gate Camera:** Management reported that Specialized Audio discovered that the Francisco Drive pedestrian gate camera was no longer working and would need to be replaced. Since this was not a posted agenda item and not considered an emergency, the Board tabled discussion for the July meeting.

- 11. Open Forum:** Wally Richardson recommended that Terry Cosens be on a Budget Committee. The Board unanimously approved the recommendation.

- 12. Adjourn –** The meeting was adjourned at 8:45 PM.

Respectfully submitted,

Wally Richardson
Board Member

7/12/12
Dated

Unofficial until signed and dated.



The Management Trust
KOCAL DIVISION

The SUMMIT
TREASURERS REPORT June 14, 2012
As of May 31, 2012

ASSETS

Total funds in Banks \$420,532.

Accounts Receivable (Net) - \$21,304. There is \$28,950. Additional receivables in bad debts. Chances for recovery on any of them is moot.

Total Assets \$449,000.

LIABILITIES

Our total liabilities - \$56,212. Note; \$15,900. are in unclaimed ACC deposits. If never claimed, our liability would be \$40,312. We should determine the age of these deposits, and see how many are living here and have forgotten to claim their deposits.

RESERVE ACCOUNT

Beginning of year - \$295,688.

Additional as of 5/31/12 75,138.

TOTAL RESERVE FUNDS - \$370,826.

Less: Liabilities against Reserves

Fencing - \$ 500.

Gates - 1,858.

Painting - 718.

Security - 600.

Signs - 13,245.

Total liabilities offsetting Reserve funds = 16,921.

NET RESERVE FUNDS = \$354,292.

(Effective monthly increase in Reserve funds = \$11,643.

INCOME

Total income to date (5/31/12) \$174,268. (\$143. More than budget.)

EXPENSES (As of 5/31/12)

Administration - \$51,122.

Contingency - 3,300.

Landscape - 32,330.

Repair/Maint. 5,653.

Security - 19,865.

Utilities - 5,008.

Total \$117,278.

Net Income - \$56,990. (Average monthly = \$11,398.)

NOTES

We have nine members with account balances totaling \$46,119. which are probably not recoverable due to foreclosures and bankruptcy. In addition, there is now \$1,107. in aging accts. 60-89 days in arrears.

Our operating balance on Jan. 1, 2012 was approx.. \$58,000.

As of May 31st - 44,279. (A decrease of \$13,721.)

Our Resesrve balance on Jan. 1, 2012, was = \$295.688.

Our Reserve balance as of 5/31/12 was \$354,292. — an increase of \$58,604.

May billings shortfall = \$1,239. Bad debts are steadily increasing and likely to accelerate within the coming year. There are three owners presently in bankruptcy, and four that are 48 mo. delinquent.

SUBMITTED

Wallace Richardson - Treasurer

Aging DS Delinquency

Tuesday, June 05, 2012 15:56

Posted Date 05/31/2012

Lake Forest Summit

Acct #	Status	Resident Contact	Current	30 - 59 Days	60 - 89 Days	>90 Days	Balance
588133	Compli		0.00	0.00	0.00	16,250.00	16,250.00
462069	Owner		20.00	195.00	195.00	9,229.40	9,639.40
588126	Compli		0.00	0.00	0.00	5,000.00	5,000.00
462200	Owner		20.00	195.00	195.00	4,589.80	4,999.80
660151	Compli		0.00	0.00	0.00	3,903.30	3,903.30
462240	Owner		0.00	20.00	195.00	3,353.80	3,568.80
462095	Owner		20.00	195.00	195.00	931.50	1,341.50
462313	Owner		20.00	195.00	195.00	1,762.00	2,172.00
462223	Owner		20.00	195.00	195.00	183.56	593.56
674189	Compli		0.00	0.00	0.00	1,000.00	1,000.00
462161	Owner	y	20.00	112.00	20.00	235.00	387.00
462064	Owner		20.00	195.00	49.00	0.00	264.00
462210	Owner		0.00	0.00	0.00	251.00	251.00
742437	Owner		195.00	0.00	0.00	0.00	195.00
462152	Owner		20.00	155.00	0.00	0.00	175.00
741979	Owner		175.00	0.00	0.00	0.00	175.00
727712	Compli		0.00	0.00	0.00	100.00	100.00
462320	Owner		0.00	0.00	0.00	49.50	49.50
462315	Owner		0.00	45.60	0.00	0.00	45.60
462306	Owner		20.00	20.00	4.50	0.00	44.50
462148	Owner		0.00	0.00	0.00	41.20	41.20
462160	Owner		0.00	0.00	0.00	39.00	39.00
462124	Owner		0.00	10.00	0.00	0.00	10.00
462166	Owner		0.00	9.00	0.00	0.00	9.00
Count:	24		550.00	1,541.60	1,243.50	46,919.06	50,254.16

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Charge Code Summary

Description	G/L Acct #	Amount
Assessment	15000	13,782.50
CC&R Fine	15100	26,253.30
Late Fee / Admin Fee	15140	10,158.36
Rtn Chk & Admin Fee	15145	60.00
		<u>50,254.16</u>