

MINUTES
BALBOA TERRACE HOMES ASSOCIATION
REGULAR MEETING OF THE BOARD OF DIRECTORS
Monday, February 1, 2021 @ 7:30 p.m. (via Zoom)*

MINUTES

**Due to the COVID19 pandemic, meeting conducted via Zoom videoconferencing.*

- I. Call to Order.** President Rich Hill called the meeting to order at 7:32 pm.
- II. Roll Call of Directors:**
Directors present: Jerry Bernstein, Tom Cator, Arlene Doyle, Keith Gillless, Richard Hill, Elizabeth Khachigian, Jennifer Liu, Robert Mann, Marion Smith, Bill Thomen
Directors absent: Brigitte Churnin
Other Attendees: Cindy Hu, Jeff Skover, Robert Switzer
- III. Open Forum.** No comments from members.
- IV. Approval of Minutes.**
A. January 11, 2021, minutes approved, subject to insertion of APNs for BTHA addresses (HOA members) with delinquent dues.
B. December 7, 2020, minutes approved
- V. Reports.**
A. Treasurer's Report. Bill Thomen presented the 2020 Fourth Quarter and Year End Financial Report. Highlights include:
1. A/R from Members
 - Reduction in Member outstanding accounts receivable (Delinquent dues) as a result of successful collection of delinquent dues following delivery of delinquency letters from Arlene Doyle and other efforts.
 - Approx. 30 homeowners still owe the special assessment. Board or BAPS has sent "30-day notices" and pre-lien notices to a few delinquent homeowners.
 - Awareness among association seems to be having a favorable effect on payment by other delinquent homeowners
2. Budget review/Quarterly financial report (Bill)
 - Per 12/31/20 Balance Sheet:
 - Total Assets: \$101,747.17
 - Operating Assets: \$20,018.70
 - Reserves: \$81,728.47
 - Overall BTHA under budget for 2020; however, did exceed budget in several areas.
 - Audit resulted in unexpected or higher than budgeted costs.

- Over budget on legal fees by \$9K due to unanticipated changes in law and other matters necessitating legal advice, but under budget by \$10K on allowance for preparation of new HOA governing documents for BTHA (e.g., amended and restated articles of incorporation, ~ bylaws and ~ covenants, conditions and restrictions. Budgeted more for legal fees in 2021 recognizing that changes in law, etc. require more legal services.
- Over budget on tax expense resulting from eight (8) parcels which BTHA is deemed to own (i.e., common areas are legally separate parcels) descriptions ; as non-profit, not charged property tax, but do have to pay special assessments. *(Suggestion to reduce “per parcel” liability for special assessments: Potential legal merger of parcels mightbe explored.)*
- Landscaping expenses higher than budgeted, but only by a few hundred dollars.
- Also expended \$68K for drainage/driveway (alley) repair in 2020.

B. Committee Reports. None.

VI. Unfinished Business Business.

A. **Election of Board Secretary and Committee Assignments** Arlene Doyle agreed to serve as Board Secretary for another term. Accordingly, current officers (including those elected by Board members at January Board meeting):

- President: Rich Hill
- Vice President: Tom Cator
- Treasurer: Bill Thomen
- Secretary: Arlene Doyle

B. **Committees and BTHA representation:** Board members expressed their interests in participating in one or more committees. [Final Committee assignments TBD.] BTHA Committees consist of:

- Architectural Review Committee
- Landscaping
- Capital Projects Committee
- Governance Committee
- Neighborhood Communications & Outreach Committee
- Neighborhood Safety, Traffic & Emergency Preparedness Committee
- Finance Committee
- West of Twin Peaks Council (BTHA representatives (2))

VII. New Business.

- A. Concrete/Masonry Repair of North Easement Entrance (Cator). Tom Cator requested authorization to engage vendor to repair concrete/masonry damage at north easement entrance (along Junipero Serra). Board unanimously approved.
- B. Agenda for Annual Meeting (Hill). Rich Hill solicited input for agenda items for upcoming annual meeting. Board members offered suggestions. Further suggestions will be circulated and agenda finalized thirty (30) days before annual meeting. (No formal action required.)
- C. Proposed Changes to Election Rules (Khachigian). Elizabeth Khachigian reported that the Inspectors of Elections have indicated they will be providing suggestions for improving the election process, to be consistent with 2019 amendments to Davis-Stirling Act. Draft election rules will be circulated to the Board for review after suggestions from Elections Inspectors and other suggestions from “lessons learned” in 2020 are incorporated. (No formal action required by Board until proposed revisions circulated.)
- D. Governing Documents – Engagement of Outside Legal Counsel (Khachigian). Ms. Khachigian proposed exploring engagement of Andy Sirkin, an HOA attorney well known for specializing in preparation of HOA governing documents, and who previously worked with the BTHA Board in 1999 on updating BTHA governing documents (project discontinued). Flat fee option may be available. Significant changes in law will need to be incorporated in updated documents. Board unanimously approved authorizing up to \$1,200 for an initial consultation.
- E. Policy Regarding Use of Personal Emails for BTHA Board Business (Mann). In connection with the transition to centralized shared platform for document storage and communication, Mr. Mann proposed adoption of policy requiring Board members use individual assigned BTHA e-mails (established through the Google platform) for Board communications and prohibiting use of non-BTHA e-mails for Board communications, allowing for transition time as individual Board members obtain access to Google platform and new “gmail” addresses. Board unanimously approved.
- F. Board Priorities 2021 (Cator). Mr. Cator proposed the Board formally adopt priorities for the current Board term. Discussed need to establish priorities for expenditures, capital improvements. Board needs to determine the best way to establish those priorities. Board generally agreed priorities are:
- Safety (identify and address any safety issues).
 - Maintenance of property (e.g., maintaining home values, which benefits all HOA members).
 - Governing documents (e.g., update to current law, remove archaic and developer provisions, etc.)
 - Communications (e.g., improve communication and outreach among HOA members).
- G. Insurance (Mann). Mr. Mann to explore other liability insurance and directors’ and officers’ insurance coverage options, including lower premium and deductible.

VIII. Adjournment. Meeting was adjourned at 8:59 pm.