

**ANNUAL MEETING
October 16, 2001**

MINUTES

I. CALL TO ORDER/VERIFICATION OF QUORUM

The Annual Meeting of the Round Hill Estates North Property Owners' Association was held on October 16, 2001 at the Round Hill Country Club located at 3169 Round Hill Road in Alamo, California. Proof of quorum was represented by seventy-four (74) owners, present in person or by proxy. The meeting was called to order at 7:20 p.m.

II. INTRODUCTION OF THE BOARD, ATTORNEY, AND MANAGEMENT

Board President, Barry Crawford, introduced Board members Jake Bercu, Catherine Dimino, Steve Lange, Ron Lodder, and Dale Welch. (Board member George Yaron was out of town) He also introduced Sandra Bonato of the law firm Bearding & Weil, and Charlie Mitchell and Donna Minkema of Community Care Property Management.

III. BOARD REPORTS

The following reports were presented. Outlines of the reports were attached to these Minutes.

Architectural Review Committee – Ron Lodder
Treasurer's – Jake Bercu
President's – Barry Crawford

IV. APPROVAL OF MINUTES

The Minutes of the Annual Meeting held on October 16, 2000 were approved by the members.

V. FEDERAL TAX RESOLUTION

The following resolution was approved by the members:

RESOLVED: That any excess of membership income over membership expenses as defined in IRS Regulation 1.277-1 for the fiscal year ending June 30, 2002 be applied against the subsequent tax year member assessments as provided by IRS Revenue Ruling 70-604.

VI. ELECTION OF DIRECTORS

Sandra Bonato, Esq. Explained how the voting for the two (2) open Board seats would be conducted.

Each of the three candidates were introduced (Barry Crawford, Steve Lange, and Peter Wollman) and each made brief remarks about their views on the important issues facing the Association. Comments from the floor were entertained.

There were no nominations from the floor. Upon a motion duly made and seconded, nominations were closed.

Earlier, Sandra Bonato had appointed three volunteer so assist in the compilation of votes from proxies and ballots. On behalf of the three volunteers, Nancy Calloway announced that Barry Crawford and Peter Wollman had been elected to the Board.

VII. OPEN FORUM

The Board fielded questions from the members.

A member wondered what could be done to eliminate sloughing on lots with steep slopes. Board member Dale Welch noted that we have already contacted owners whose lots had sloughing problems. Our objective is to work with the owners to find an acceptable solution.

VII. ADJORNMENT

There being no further business before the members, the Annual Meeting was adjourned at approximately 8:30 p.m. A social hour followed.

ARCHITECTURAL REVIEW COMMITTEE REPORT – OCTOBER 2001

COMMITTEE RESPONSIBILITIES

- Review proposed architectural plans to assure that they will fall with the Association's guidelines or whether a variance is warranted.
- Review proposed landscape plans
- Circulate such plans to neighbors prior to the Board meeting when they will be reviewed

YEAR ENDING OCTOBER 2001

- Plans for 4 new homes were reviewed and ultimately approved:

Lot 163
Lot 99
Lot 5
Lot 9

- We also reviewed 8 landscape/pool plans:

Lot 162	lot 108
Lot 48	lot 97
Lot 94	lot 29 (pool and landscaping)
Lot 25	Lot 137 (pool)

- In addition, we reviewed approximately 15 plans for fences, decks, spas, and renovations

OBJECTIONS TO PROPOSED PLANS

- During the year, neighbors raised a number of objections to proposed plans.
- We recognize that there can be honest differences of opinion in these situations. We also recognize that we cannot please everyone.

Treasurer's Report – October 2001

Significant Financial events in Fiscal 2001

- Write-off accrued claim (former advisor). Received \$25,000 and wrote off \$45,000.
- Fiscal 2001 over-budget by \$68,720, excluding \$45,000 write-off. Major contributors: copying \$9,700, design review \$15,100, and legal \$23,000.
- Design expenses of \$22,345 exceeded design fees (income) by \$8,600. Design fees were increased in November 2000 and a policy instituted for owners to pay for all copies of plans.
- Transfer of Restricted Equity to Operating Equity. An accounting adjustment of \$108,833 was recorded to reconcile Restricted Equity to the balance of Restricted Assets. The Board also approved a \$25,000 cash transfer from restricted cash to operating cash.

Significant financial events in fiscal 2002

- A new reserve study was adopted. The study indicates that contributions to case restricted funds need to be increased by 14.5% per year to have sufficient funds available over the next 30 years to maintain the common areas and private roads.
- For example, the annual cash allocation to restricted funds during the year ending June 30, 2002 will be \$30,620 per the new Reserve Study. This compares with a cash allocation of \$26,742 for the previous year.
- Annual assessments are \$1,180 per parcel (\$295 quarterly).
- The Board has approved a one-time project to re-write and adopt new RHEN governing documents of approximately \$117 per parcel, or \$18,000, that is included in the budget.
- The Board solicited and received a "Pavement Management Plan". This plan recommends work for a total of \$443,665 over five years. It is a preliminary report and has not been adopted in its entirety.

PRESIDENT'S REPORT – OCTOBER 2001

RHEN STATISTICS

Acreage	- Owner Parcels
	- Common Areas
Roads	- County
	- Private

CURRENT ACTIVITY – SEPTEMBER

House plans – Approved – No Construction	5
Plans in Progress	<u>8</u>
	13
Landscaping and Pool Plans, etc.	<u>12</u>
	25
Undeveloped Lots (out of 154)	18

CC&R ADVISORY COMMITTEE

- During March, we formed the CC&R Advisory Committee. The goal is to develop completely new governing documents to replace the existing outdated CC&Rs, Bylaws, and Architectural Design Guidelines.

In my opinion, the significant investment of time and expense to develop up-to-date governing documents will be more than justified by minimizing future misunderstandings and controversies, as well as by reducing future legal and other consulting fees.

- The Advisory Committee consists of Board members plus five other property owners. Since March, we have met seven times:
 - Completed our review of the Bylaws
 - About 2/3 completed on the CC&Rs
 - Not yet started to draft new Architectural Design Guidelines, but have received general recommendations from our Architectural and Landscaping Consultants
- When the initial drafts of these documents have been prepared, we will hold public hearings to review the key changes being proposed.

- Subject to possible changes based upon these hearings, the Board will ultimately decide on the final versions to be sent to all Association members for approval.
- It is my expectation that this process will be completed during the next year.

OTHER MATTERS

- We recently issues two policy briefs:
 - Use of Garages and Parking
 - Weed Abatement
- We recently distributed a new Directory for RHEN members.
- During the next year, we plan to initiate a periodic RHEN Newsletter

BC/wic presidentreport.rhn