

**RANCHO CIELO HOMEOWNERS ASSOCIATION
BOARD OF DIRECTORS MEETING
GENERAL SESSION MINUTES
JUNE 25, 2019**

Call to Order

Upon notice, duly given and received, the General Session Meeting of the Board of Directors of Rancho Cielo Homeowners Association was called to order at 7:00 PM at the Trabuco Canyon Water District located at 32003 Dove Canyon Dr., Trabuco Canyon, CA 92679.

Roll Call

A quorum was present with the following directors in attendance:

Michael Hinkle, President
Darryl Wheeler, Vice President
Alan Neilson, Treasurer
Len Malena, Secretary

Absent

Robert Hoffman, Member at Large

Seabreeze Management Company, Inc.:

Janet McCormick, CMCA Account Executive

Executive Session Disclosure

Executive Session convened to discuss items such as member discipline, delinquencies, personnel, contracts, and legal issues.

Homeowner Forum

Homeowners were given an opportunity to address the Board of Directors for general matters that may or may not be related to specific agenda items.

Approval of Minutes

Upon a motion duly made, seconded, and unanimously carried, the Board resolved to table the May 28, 2019 general session minutes, pending revision.

FINANCIAL REPORT

Financial Statement – Ending May 31, 2019

Be it resolved, upon a motion duly made, seconded, and unanimously carried, the Board resolved to acknowledge and ratify the acceptance of the financial statements ending May 31, 2019 and reconciled bank statements presented, subject to audit/review by a CPA at fiscal year-end.

Move to Executive Session

In order to meet with Executive Session Invitee: Steve Jackson, Advanced Reserves Solutions, a motion was made, seconded and unanimously carried to move to executive session. The meeting moved at 7:31 PM.

Reconvene/Call to Order

The General Session Meeting of the Board of Directors of the Rancho Cielo Homeowners Association was reconvened at 7:58 PM.

Invitee: David Lynn, Morgan Stanley

Be it resolved, upon a motion duly made and seconded, the Board resolved to table the discussion. Motion carried unanimously.

Draft Budget 2019-2020

At the end of the fiscal year: (a) the estimate of cash reserves necessary is \$1,568,353.19 (b) the amount of actual accumulated reserves is estimated to be \$601,875.00 which equaled 38.38% of actual cash reserves set aside in relation to the estimate of reserves necessary. The Board reviewed draft budgets as presented by Management for the 2019-2020 fiscal year. Be it resolved, upon a motion duly made and seconded, the Board resolved to approve a total annual budget of \$824,220.00 with an increase to the monthly assessments from \$260.00 to \$285.00 per month. The motion carried 2-1, with one opposed and one abstention. Additionally, be it resolved, upon a motion duly made and seconded, the Board resolved to approve a special assessment amount of \$41,378.50 will be divided between the 241 Units and will be a total amount of \$171.70 per Unit. The motion carried 2-1, with one opposed and one abstention.

Reserve Transfer Authorizations

Be it resolved, upon a motion duly made, seconded, and unanimously carried, the Board resolves to authorize the monthly transfer of the budgeted reserve funding amounts of \$22,850.16 from the operating account to the reserve account.

Hacienda Landscape – Reports, Updates, & Proposals

The Board reviewed updates and discussed landscape concerns with the Landscape Committee.

Be it resolved, upon a motion duly made, seconded, and unanimously carried, the Board resolved to approve Proposal #: 061319-0453, to provide labor and materials to replace the missing tree near 31811 Via del Viento, for a total cost not to exceed \$170.00.

Be it resolved, upon a motion duly made, seconded, and unanimously carried, the Board resolved to approve Proposal #: 061419-0502, to provide labor and materials to remove two leaning Eucalyptus trees on Via Allegre near TCWD Building, for a total cost not to exceed \$1,825.00.

Be it resolved, upon a motion duly made, seconded, and unanimously carried, the Board resolved to approve Proposal #: 060519-1051, to provide labor and materials to replace the old malfunctioning Irrigation controller that is not irrigating the slope behind Rancho Cielo, for a total cost not to exceed \$2,775.00.

Be it resolved, upon a motion duly made, seconded, and unanimously carried, the Board resolved to approve Proposal #: 060519-1053, to provide labor and materials to replace the stuck valve that irrigates non-stop inside pool area, for a total cost not to exceed \$340.00.

Be it resolved, upon a motion duly made, seconded, and unanimously carried, the Board resolved to approve Proposal #: 060519-1059, to provide labor and materials to replace two leaking irrigation valves swamping the grass area beside 32002 Camino del Cielo, for a total cost not to exceed \$680.00.

Be it resolved, upon a motion duly made, seconded, and unanimously carried, the Board resolved to approve Proposal # 52519-0722, to install slope drainage, for a total cost not to exceed \$1,300.00.

Ed Perez, Labelle-Marvin, Inc. – Site Review Proposal

Be it resolved, upon a motion duly made, seconded, and unanimously carried, the Board resolved to deny the proposal.

Proposed Rule Adoption – Gatherings Held in Common Areas

The Board discussed the proposed rule change regarding establishing a security deposit of \$150.00 for gatherings held in the common areas of the community. The proposed rule change has been sent out to the community for a 28-day comment period. No comments have been received by Management. Be it resolved, upon a motion duly made, seconded, and unanimously carried, the Board adopted the rule.

Resignation of Board Treasurer, Alan Neilson

Board Treasurer, Alan Neilson announced his intent to resign from the Board of Directors.

Board Reorganization Discussion

Be it resolved, upon a motion duly made, seconded, and unanimously carried, the Board approved the new Board Member positions as follows: Mike Hinkle, President; Darryl Wheeler, Vice President; Robert Hoffman, Treasurer; Len Malena, Secretary; and Robert Rose, Member at Large.

Next Meeting

The next Board of Directors meeting is scheduled for July 23, 2019 at 7:00 PM at the Trabuco Canyon Water District.

Adjourn

Being no other business, a motion was made, seconded and approved to adjourn. The meeting adjourned at 9:08 PM.

SECRETARY'S CERTIFICATE

I, Len Malena, hereby certify that the foregoing is a true and correct copy of the approved Executive Session Minutes of the Board of Directors Meeting held on the above date.



Secretary

7-23-19

Date