

**THE MINUTES OF THE GENERAL MEETING
OF THE
BOARD OF DIRECTORS
OF THE
SORRENTO HOMEOWNERS ASSOCIATION**

November 18, 2008

CALL TO ORDER

The following are the Minutes of the General Meeting of the Board of Directors of the **Sorrento Homeowners Association** held November 18, 2008 at the at Sierra Canyon High School in Chatsworth, CA. A Quorum was noted and the meeting was called to order at 7:02 p.m.

BOARD MEMBERS PRESENT

Pat Pope, President; David Sobel, Vice President; Greg Norris, Treasurer; Melissa and Centeno, Secretary were present. Philip Minton, Member at Large attended part of the meeting. Marinel Agbunag of Ross Morgan was also present.

APPROVAL OF MINUTES

Pat Pope moved to approve the Minutes of the General Meeting of October 28, 2008 as presented. David Sobel seconded the motion, which carried 4 to 0. Mr. Minton was absent.

TREASURER’S REPORT (As of November 30, 2008)

Total Cash Operating Accounts	\$26,082.78
Total Accounts Receivable	97,151.78
Total Cash Reserves	496,356.05
Total Current Liabilities	21,971.48
Total Liabilities and Owners Equity	619,590.61

Special Guests

LAPD Captain Steve Ruiz and Lead Investigator Fajardo of the Devonshire Division were present and discussed the Como Lane homicides. Homeowners were able to ask about other police matters affecting Sorrento HOA.

OLD BUSINESS

Motion to approve spending approval limits – Philip Minton proposed to adopt a budgetary spending authority limit. The proposal was to limit spending authority of any Board member to \$1,500 without concurrence of the entire Board of Directors. The spending authority is granted provided the cumulative general ledger account is financially solvent The Board approved of this proposal by a 5 to 0 vote as long as 1) there are no more than 2 purchases per month, per Board member; and 2) In the event the Treasurer declares a budgetary crisis, the Treasurer and/or the President can resend purchasing authority.

Proposal to adopt competitive bidding - Phillip Minton stated his feelings that all bids for services in excess of \$1,500 shall be competitively bid with at least 2 bids for an indicated

service, save "Emergency" bid request actions. Phillip indicated that the Board shall allow time to bid and add flexibility for competitive bids. Greg Norris indicated that he is concerned about warranty service if there are multiple vendors working on equipment. The Board approved of this proposal.

Proposal to adopt budgetary spending guidelines – Mr. Minton proposed a complex series of budgetary spending guidelines. Pat and Greg said the Finance Committee was undertaking a quarterly budgetary review already. This issue was tabled.

PRESIDENT'S REPORT

Pat Pope announced that there will be no HOA meeting in December. The next meeting date will be announced at a later time.

NEW BUSINESS

Discussion of HOA actions on liens and foreclosures – Philip discussed about the distressed homes. He indicated that the landscape/architectural committee will pay attention what is the strategy to mitigate this issue.

Discussion of individual Board member responsibilities on General ledger Accounts Payable - This item was tabled.

Motion to repair Sorrento spa heater - The Board approved the repair the Sorrento pool spa heater not to exceed \$3,000. The cost is \$2,550. Marinel will call and fax the approval to Pool Medics. The money should come from the Reserve Account. The vote was 4 to 0. Mr. Minton was absent

Holiday gifts for Marinel and guards – The Board approved the holiday gifts for Marinel and the guards not to exceed \$300. Marinel will provide Pat the number and the names of the Centurion guards. The vote was 4 to 0. Mr. Minton was absent.

Committee Reports

Landscape Committee, Phillip Minton - Per previous HOA meeting, Phillip reiterated that the architectural/landscape committee conducted the audit in August and regular monthly audits to follow. Bids have been obtained from M&R for the beautification project and will be presented to the entire Board for approval. Greg stated that the budget from previous month, the expenses were over \$5,000 on extras on landscaping. Greg will provide Philip the check disbursement report.

Hospitality Committee, Melissa Centeno – On November 29, 2008, the holiday decorations will be up at Sorrento and Meadows gates. On 12/18/08, the hospitality committee will bejudging the decorations and the winner will be announced on the newsletter and website.

Pool Committee, Melissa Centeno - the Jacuzzi heater will be replaced. The heater is almost 10 years old. The gas is off at the Meadows pool.

Rules, Pat Pope – Some homeowners offered to help draft the current Rules and Regulations. The Rules will be circulated on line before the Board approves it and will turn to the attorney.

Website/Newsletter, Pat Pope – Mary Cooley Lopez has been helping write articles for the newsletter and is now the chief editor. Pat indicated that it cost about \$400/month to produce newsletter. That expense is now covered by Coldwell Banker. The Website Committee is exploring ways to offset that cost via advertising if Coldwell Banker or the HOA decide to change the relationship.

Security, David Sobel – Gates were open during the recent high wind. Meadows and Torino gates are very valuable assets and replacement cost for the gates and motors are high. Towing signs has been posted per the vehicle code. People are slowing down significantly on Sorrento Lane because of the speed humps. There will be no new speed humps in 2009, unless there is a significant change in delinquent dues. There will be no cutting of hours on the Meadows gates.

Final Discussion and Approval of 2009 Budget (Greg Norris)

Greg indicated that there are currently 613 homes. Pat stated that as of October 31, 2008, there are about 35 homes that were late or had liens or notice of default. Greg stated that an increasing number of homeowners are not paying their monthly dues. Greg stated that the delinquent amount is about \$87,000 and \$55,000 of that may be uncollectible. He also indicated that the Reserve Study is not complete and their will be more recommendation later on the reserves. In 2008, \$7,000 has been contributed on reserves. There were major expenses on security and landscaping. After much discussion Greg proposed a \$5.00 per month per home increase on the monthly dues. The Board approved the 2009 budget by a 4 to 1 vote. In favor were: Pope, Centeno, Norris and Sobel. Opposed was Minton.

Greg will check how we can enforce privileges if a homeowner is not paying their dues. He also indicated that if we need new capital items, the HOA will either have to do a special assessment or borrow from the reserves.

DELINQUENCIES

No new action was taken on delinquent homes in November.

ADJOURNMENT

The General Meeting was adjourned at 9:25 p.m.

NEXT MEETING

Will be announced at a later time.

Submitted by: Marinel Agbunag, Recording Secretary

Approved by:

DRAFT

Melissa Centeno, Secretary
Sorrento Homeowners Association

Date