

HACIENDA CARMEL COMMUNITY ASSOCIATION
MINUTES OF THE REGULAR MEETING OF THE
BOARD OF DIRECTORS
Thursday, August 28, 2025
Casa Fiesta

PRESENT:

Mr. Ken Rothstein, President & Director
Ms. Sara Harnish, Vice-President & Director
Ms. Holly Carlin, Treasurer & Director
Ms. Niki Tugwell, Corporate Secretary & Director
Ms. Rochelle Blank-Zimmer, Director
Ms. Catherine Robinette, Community Manager
Ms. Jeanne Mileti, Recording Secretary

Forty-two members attended the open meeting in Casa Fiesta.

1. **CALL TO ORDER:** The open meeting was called to order at 10:15 a.m. by Ken Rothstein, President.
2. **REVISION OF AGENDA:** None
3. **MEMBER COMMENTS ON AGENDA ITEMS:** None
4. **CONSENT AGENDA:**
 - a. **Approval of Minutes:**
 - i. Regular Board Meeting of July 24, 2025
 - b. **Occupancy Approvals:**

i.	Douglas Bungert	Authorized Occupant – Leasing #195
ii.	Mick & Nicki McMahan	Authorized Occupants – Purchasing #205
iii.	Susan Reddington	Authorized Occupant – Purchasing #192
 - c. **Sales Activity & Rental Report**

5 units currently listed for sale. One unit in contract. 13 units sold since January 1, 2025. The current number of rentals is 45.
 - d. **Financial:**
 - i. Verification of bank reconciliation & check register review for July 2025.

Ms. Harnish made a motion to approve the Consent Agenda. Ms. Tugwell seconded the motion which carried unanimously.
5. **PRESIDENT’S REPORT:** President Ken Rothstein reported:
 - a. Report on discussion in Executive Session and any items requiring Board action:
 - The Board made a decision to leave the current pole light samples in place in front of Casa Central, until others are put in place.

PRESIDENT’S REPORT, continued

- Mr. Rothstein reported that all current Board members [and Juli Jarvis from the Business Office] were put in place as check signers for accounts at First Citizen’s Bank and Charles Schwab. Two signatures are required on each check.
- b. Correspondence consisted of a letter of concern about essential vs non-essential expenditures, another letter regarding a billing issue, and correspondence about steps to be taken when replanting areas.

There was a letter questioning use of the Ranch Road during flood evacuations. Mr. Rothstein noted we are currently expanding on the evacuation plans and looking at additional resources.

There was a letter objecting to the increase in prices in the Guest House during car week, and the cost of the charging station. And there was a letter about the cost of mailboxes.

Mr. Rothstein explained that nobody is looking at spending money that can’t be recouped, bring down our long-term expenses, or add value. None of these decisions are made in a vacuum, and everything that we put off now will cost more in the future.

6. TREASURER’S REPORT: Holly Carlin, Treasurer

The Reserve Expenditures for the month of July are as follows:

\$ 1,571.84	Paid to Sherwin Williams for Paint
\$ 483.43	Paid to M.J. Murphy for Fence Replacement
\$ 1,183.20	Paid to Built in Distributors for a Washer Replacement
\$ 2,485.00	Paid to Della Mora for Boiler Repair
\$ 950.00	Paid to Ailing House for Exterior Building Repairs
<u>\$ -37,850.00</u>	Reversal of all payroll transfers for Veg. Removal/Fire Mitigation

\$, -31,176.53 Total Reserve Fund expenditures for July 2025.

Ms. Carlin explained that over the past several months, the Association has been transferring the labor that applies to Reserve Fund components (such as removal of junipers for Fire Mitigation), which offset payroll in the Operating Fund, and reduced the amount of the loan that we owed the Reserve Fund. It has been discovered that we cannot use services to pay down the loan. There is a citation in the Davis Sterling Act that states the Reserve Fund must be paid back in cash. Although the committee made a decision to pay \$100,000 of the loan last month, that amount was offset this month by a reversal of the previous payments (made by labor transfer), totaling \$37,850. The loan amount is now \$243,000.

TREASURER’S REPORT, continued

Ms. Carlin reviewed the financial statements for July 2025. Our variance is currently \$665,000, but we owe the Reserve Fund \$370,000. We went from an accrual basis to a cash basis monthly, so our financials don’t reflect all of the outstanding bills at the end of each month, but by the end of the year they will reflect the outstanding bills. Estimate is about \$110,000 to be accrued. The one variance that we do know is the insurance for \$137,000, which leaves the unknown variance at about \$48,000. Ms. Carlin explained that she compares to the prior month and the prior year and investigates any variances that occur. This month variances occurred because there was an extra workday in July, and we have hired a temporary employee in the office to help catch up the payables, which should be caught up in August.

Ms. Carlin made a motion to approve the financial statements for July 2025. Ms. Tugwell seconded the motion which carried unanimously.

The Investment Committee met following the Finance Committee and made arrangements to purchase two CDs to replace the \$100,000 CD maturing September 8th, for a period of 18 months; and the \$150,000 CD maturing October 20th also for a period of 18 months.

The System Utilization subcommittee met with Carmel Valley Manor and Del Mesa to see what innovations they have put in place. Carmel Valley Manor has a fully automated emergency notification system that informs residents by phone. They also have five TVs for events, etc., with their own private TV channel. Del Mesa is in the process of automating , which should be done by the end of the year. They will be using the Polara app to communicate with members.

Car week grossed \$500 more in income for the Association, with lower occupancy. The Finance Committee recommended not changing the prices.

Sara Harnish added that the Association has been approved by Cal Fire for a new grant cycle for 2025-2026.

7. COMMUNITY MANAGER’S REPORT:

- **Pool Deck:** Catherine Robinette reported that two vendors have been contacted with very different materials for the pool deck, both very different in price. A third vendor will be contacted.
- **Juniper Removal:** There are additional junipers that will be removed with the new grant cycle. The Board will need to discuss junipers that are growing on members’ patios.
- **Flu Shot Clinic:** VNA will be giving a flu shot clinic tentatively on October 14th. [The exact date may be subject to change]. They are trying to get COVID vaccinations for the clinic, but it remains uncertain for now.

COMMUNITY MANAGER’S REPORT, continued

- **Maintenance Projects:** There is less of the rust color now on the buildings and fences. The new well pressure tank is to be installed soon, and we will be removing the old one. We will be continuing investigation of a filter system that could help in the future. Grounds will be placing jute over the areas that had junipers removed. This should help protect those areas until we get the go-ahead to plant.
- **Other Items:** We are going to be trying a liner for the food waste bins, which will hopefully prevent some of the problems with smell and the constant need to clean the bins.

8. **COMMITTEE REPORTS:**

- **Finance:** Fran Baca, Chair, reported: “The Finance Committee met on August 20, 2025:
 1. “At the July 2025 Board meeting, the Board approved a change in medical insurance carrier from United Healthcare to Anthem Blue Cross with an option for Kaiser for 8 eligible employees. Jeanne Mileti reported that all employees have enrolled in the new plan effective September 1, 2025. None of the eligible employees chose Kaiser, citing the inconvenience of Kaiser having only one clinic in Salinas and the hospital in Watsonville; all employees chose Anthem Blue Cross. We will have an estimate of the cost at the September 25, 2025 Board meeting once the actual rates for each employee are known.
 2. “The Committee reviewed comments and information from the Community Forum held on August 4, 2025 regarding Uses and Charges for Facilities and Amenities. The Committee will wait until after the Community Forum on September 8, 2025 is held and will make its recommendation to the Board at the September 25, 2025 Board meeting.
 3. “Final revenue and expense estimates for the Reserve Fund have been computed through December 31, 2025 in connection with the preparation of the Reserve Study for 2026. These estimates have been submitted to Association Reserves. We anticipate that our 2026 Reserve Study will be available at the September 25, 2025 Board meeting.
 4. “We have received a standard engagement letter for the Audit of our 2025 financial statements from our accountants, Levy Erlanger. However, the Finance Committee has determined that an audit is not necessary and recommends a Review of the 2025 financial statements instead. This will save the Association approximately \$6,000. We recommend that our Accountant, Jeanne Mileti, be directed to contact Levy Erlanger and request that they issue an engagement letter for the Review of our financial statements for the year ending December 31, 2025.” Ms. Carlin made a motion to approve a review for fiscal year 2025. Ms. Tugwell seconded the motion which carried unanimously.
- **Architectural Review:** Connie Winners, Chair, reported: “ARC Report to the BOD 8/28/25 – Connie Winners, ARC Chair:

COMMITTEE REPORTS, Architectural Review, continued

“ARC met on Wednesday, August 13th. There were two requests for change, one approved in accordance with Architectural Rules. The other request for planting in the common area was denied based on the current landscape objectives of the Rana Creek Master Landscape Plan in place. The homeowner was provided written notice, in accordance with Article 7 of the CC&R’s, informing that they could appeal the request to the Board of Directors.

“A Zoom presentation was presented by committee member Karen Jeffries, on the berm stabilization and planting after removal of junipers and ice plant. The committee approved the proposal for preparing areas for stabilization and planting at 1-126, 151 and on the southwest side at 213, 217-214. The committee recommended holding off on the proposed plan for 134 for further evaluation at a later date. Ms. Tugwell made a motion to approve preparation of the areas where the junipers were removed and the plant recommendations for the above cited areas. Ms. Harnish seconded the motion which carried unanimously.

“Committee member, Rochelle Blank-Zimmer, provided an update on ongoing research into new pole and ground lighting. She recommended to engage a professional lighting consultant to walk the property to address outstanding questions and assess the site. A consultant has offered walk the property with Rochelle, and has requested Connie, Sam and Ken join if available. The walkthrough will help determine the lighting needs, and condition of the existing poles – all with cost efficiency and night sky compliance in mind.

“The committee made a motion , passing 4-1, for management to remove the sample lights in front of Casa Central, no longer needed, and return the globe lights.

“Committee member, Sam Parsons, continues to review areas in Casa Central for installation of self-service mailboxes. USPS boxes come with ADA restrictions for mail delivery, and we may not have enough room. The area is still under review. Mr. Parsons will visit other HOA’s in our area to see how they handle their self-service mail and report back in the September ARC meeting.

“Management presented two pool deck coating product samples she and Board President, Ken Rothstein, received for ARC review. The decision was to contact other vendors for further consideration.

“Management presented two Hacienda paint colors used in Casa Central for refreshing the laundry rooms. The committee made a motion to paint the laundry rooms white and to remove any items placed by residents in the laundry rooms prior to painting.

“A new entry design plan at unit 300 where large junipers were removed in June is tabled as other areas of higher priority are in review.

“Casa Fiesta kitchen and bathrooms are on reserve expenditures for 2025. The chair will report back with recommendations for the committee’s consideration at the September meeting.

COMMITTEE REPORTS, Architectural Review, continued

“Since completing the engineering project for drainage control at 169/170 the area needs to be landscaped prior to the start of seasonal rains. Recommendations for site prep were prepared and reviewed with management for grounds prep. It is the recommendation of the committee that a professional landscape designer be consulted to review the site and provide a proposal for landscape design in accordance with the Rana Creek Master Landscape Design and plant list. Ms. Carlin noted that the Board cannot vote on this until a quote is received.

“E&E withdrew their request for a TV monitor to be placed in Casa Central until further review by the Systems Utilities committee.”

- **Events & Entertainment:** Flossie Stowell, Co-Chair, reported: The committee has a budget, and has not spent much of that budget this year. They are already planning for the New Year’s party, which is their big annual event.

Each month they consider suggestions for new events that are submitted by members. If you have an idea, please submit it to the committee with details, i.e., who will organize, when, where?

The committee is also looking at putting signage on the Pool and Ping Pong rooms and would like to pursue purchasing a TV monitor for the lobby that can display information about various activities. Ms. Stowell added that there was a cleanout done of the closet in the West Room. There is a lot of miscellaneous stuff that was stored in there. They will print out a list in case anyone wishes to claim any of it.

The Karaoke Event had about 20 people attending. The Annual Birthday Party is this coming Saturday. Hopefully, everyone has signed up.

- **Ad Hoc Management Committee:** Art Sutton, Chair, reported that the committee met with a management company called Rowcal, for the purpose of having them do an evaluation of Hacienda’s procedures. They, however, proposed that they take over management of the Association. All companies contacted so far have asked for us to at least sign a 5-year contract.

9. **UNFINISHED BUSINESS:** None.

10. **NEW BUSINESS:**

- **Amendment to “Request for Change or addition to Unit:”** The Board requested that the new counsel, Beaumont Tashjian, draft an indemnification to be added to the *Request for Change or Addition to Unit or Common Area* form that is filled out by members seeking approval from the Architectural Review Committee. The indemnification further protects the Association for changes made by individuals. The addition reads as follows: “Homeowner shall indemnify, defend and hold HCCA and each of its directors, officers, employees, managers, and agents harmless from and against all claims, suits, demands, losses, damages or liability, including without limitation, reasonable attorneys’ fees and costs arising out of the proposed architectural improvement and/or any resulting damages.”

NEW BUSINESS, Amendment, continued

Ms. Harnish explained that indemnification is recommended in the Davis Sterling Act. Ms. Blank Zimmer made a motion to approve the amendment to the form. Ms. Tugwell seconded the motion which carried unanimously.

- **Review of 401(k) Plan:** The Board did their annual review of the 401(k) plan. The only change made was to the trustees. Ms. Carlin made a motion to remove Robert Hedberg as Trustee and appoint Catherine Robinette as the second Trustee (in addition to Jeanne Milet). Ms. Harnish seconded the motion which carried unanimously.
- **Call for Forum:** Ms. Tugwell called for a Member Forum to be held on September 8th at 1 pm in Casa Fiesta.

11. MEMBER COMMENT PERIOD:

- Dale Agron, Unit 7, requested better use of mics and a map for Board meetings. She feels campus needs more lights.
- Pat Ostrom, Unit 286, requested Board expedite landscaping by #169 as soon as possible.
- David Delwiche, Unit 159, thanked the Board for keeping the area by #169 tidy, but requested the removal of some items stacked by his unit temporarily.
- Flossie Stowell, Unit 264, spoke about the ARC recommendations being in conflict with the minutes.
- Connie Winners, Unit 197, spoke about the ARC minutes
- Mary Lou Donegan, Unit 291, spoke about the bare landscape area by unit 300.
- Bill Quinn, Unit 151, asked if the language in the indemnification obviates the need for the separate indemnification form that was adopted several years ago.
- Donna Bessant, Unit 214, spoke about the Dining Room decoration and asked that landscaping decisions be posted in the Bulletin.
- Jeanne Wooldridge, Unit 175, would like to see flowers in the Dining Room.

- 12. ADJOURNMENT:** The meeting adjourned at 12:07 pm. The next regular Board meeting will be held on Thursday, September 25, 2025, at 10:00 am in Casa Fiesta. The Board will meet in Executive Session at 8:30 am in the Egon Durr Board Room, prior to the open meeting.