

The Glen of Pacific Grove
Homeowners Association

minutes. — ANNUAL MEETING

DATE: November 14, 1985

PLACE: B. Wileman's garage # 84 and garage # 82

TIME: 8:00 p.m.

BOARD MEMBERS PRESENT: A. deGalffy
M. Fair
A. Louis
B. Wileman
H. Tillinghast

ALSO PRESENT: L. Smith-Hallet, A.A.C. Chair
T. Mangold, Mangold Property Management
19 Homeowners

Meeting called to order by President Wileman at 8:00 p.m.

1. Director Fair reported that a preliminary count indicated a quorum established with 42 voting powers present.
 2. President Wileman appointed M. Fair and F. Fiduk as Inspectors of Election.
 3. Upon a motion made by Director Tillinghast, seconded by Director Fair, the minutes of the Board Meeting held October 16, 1985 were unanimously approved.
 4. Upon a motion made by A. Childs, seconded by J. Hallas, the minutes of the Annual Meeting held December 12, 1984 were unanimously approved.
 5. President Wileman reviewed the financial reports included in the Annual Meeting mailing. Each of the 6 reports were discussed. Director Fair made note of the following corrections to amend errors in the financials:
 - a. Cover letter, pg. 1: "... assessments have been increased the allowable 12% ..." should read 20%.
 - b. Income Statement, page 3: Total expenses at Ending Balance Aug. 31, 1985 should read \$31,670.78, not \$13,670.78.
 - c. Reserve Account Summary, page 5:
 - Funded Balance Per Audit, date beginning should read 3-1-83 not 3-1-85.
 - Footnote 3: assessment amount should read \$19.86 per unit per month, or \$1191.60 per month, instead of \$19.30 and \$1158.
- F. Fiduk questioned the amount of deductions made to reserves. President Wileman responded that this reduction was to pay for insurance since the operating account did not have sufficient funds to cover premiums due for May and July.
- Director Fair discussed the status of the reserve accounts, including a handout entitled "Reserve Account Update" which is made a part of these minutes.

Further discussion followed regarding the reserve account deficiency. Tom Mangold explained that reserves can be collected as a special assessment when the cost incurs. He recommended this when the premium comes due next year, especially since the costs will most likely increase.

President Wileman stated that Banks considering a mortgage on property in a town-house development, will verify the status and adequacy of reserve accounts and request budgets and financials from the Homeowners Association as a condition of the loan. Director Fair verified this new regulation, having experienced it with transactions at Monterey County Bank.

Director Tillinghast questioned the accuracy of including insurance as part of reserve calculations. He thought this incorrectly stated the reserve balances. Director Fair and President Wileman explained the reasoning behind this method of calculating and reporting reserve balances. It was agreed that insurance is a set-aside, not a reserve, and that the funds will be co-mingled in the same account with reserves at Monterey County Bank, but not included as a part of reserve total. Director Fair reported the detail ledger is set up to separate reserves and insurance.

Director Louis clarified the issue regarding new construction, explaining it was really a contingency required by the State Real Estate Board since this was a new development. It was suggested that this be used to paint the common area wrought iron, light posts and gates.

President Wileman reported on the costs of these items, explained which wrought iron fencing is common area maintenance and informed the homeowners they are responsible for rear yard/patio fencing. Mangold Property Management said they would arrange for painting of both at the same time, to minimize the expense, and bill each homeowner as a special item. Homeowners are to contact Mangold Property Management.

President Wileman recommended that the entire subject of reserves be a primary topic for the new Board in the 85 - 86 year.

There being no further discussion regarding the financials, M. Schoonover motioned to accept the financials as corrected, the motion was seconded by D. Fountain and unanimously approved.

6. President Wileman reported on the activities of the Board for the year 84 - 85. He commented on the status of the walk throughs and surveys regarding landscaping issues and exterior problems, and explained that the Board has entered into an acceptable agreement with Trilex to make corrections. A copy of the final acceptance/approval letter by the Board and Trilex's latest response letter to the exterior surveys is made a part of these minutes by this reference.
7. L. Smith-Hallett, Chairperson, reported that the ACC remedied the problem of building on common areas with the adoption of a document signed by the individual homeowner acknowledging their changes. Both such cases have signed and are on file.

The problems with colored exterior window coverings in two units have been brought to the homeowners attention. One has been corrected, one in process.

Finally, she stressed the importance of publishing a homeowners rules and guide-book to prevent architectural infractions.

8. President Wileman stated that the committee did not prepare the guidebook, but plan to publish one for all homeowners and tenants. It would include ACC guidelines and procedures, rules, gate operation and conditions, emergency information, property manager information and other general guidelines.
9. Final activity was voting. President Wileman explained the purpose and terms of the amendment to the Bylaws and the two resolutions. Page 1 of the Proxy Statement is made a part of these minutes to define these changes. He further explained the procedure for election of Board members. After determining there were no nominations by proxy, President Wileman asked for nominations from the floor. A. Louis nominated Bill Kammerer. There were no other nominations. Votes were cast and counted by F. Fiduk and M. Fair. 43 units were represented by proxy or in person vote.

The results were as follows:

A. Amendment to Bylaws

32 approved 1 not approved 10 abstain

B. Resolution to pool reserves in one account

32 approved 11 abstain

C. Resolution to carryforward excess assessments

32 approved 1 not approved 10 abstain

D. Election of Board of Directors (214 votes cast)

2 year terms:	Hal Hallett
	Bill Kammerer
	Bernard Wileman
1 year term:	Harold Tillinghast
	Adorjan deGalffy

10. The newly elected Board met and appointed the following officers:

Hal Hallett, President
Adorjan deGalffy, Vice President
Harold Tillinghast, Treasurer
Bill Kammerer, Secretary
Bernard Wileman, Director at Large

- 11 The next meeting, an Executive Board Meeting will be held at the home of Adorjan deGalffy on Thursday, December 5, 1985 at 7:30 p.m.
12. There being no further business the meeting was adjourned at 10:04 p.m.

Respectfully submitted,

Mary Fair

Mary Fair
Vice President

THE GLEN OF PACIFIC GROVE
HOMEOWNERS ASSOCIATION

PROXY STATEMENT AND NOTICE OF ANNUAL MEETING NOVEMBER 14, 1985

This proxy statement and notice is furnished in connection with the solicitation of Proxies for use at the Annual Meeting of Homeowners of The Glen of Pacific Grove Homeowners Association to be held at:

84 Glen Lake Drive, garage
Pacific Grove, CA 93950

at 7:30 p.m. on Thursday, November 14, 1985.

The matters to be considered and voted upon at the Meeting will be:

1. Amendment to Bylaws, Article V, Section 3. Election and Term of Office as follows:

Delete: Thereafter, the term of office of each Director shall be until the annual meeting of members and the election of his successor. From the first election of the Board of Directors and so long as a majority of the voting power of the Association resides in the declarant or so long as there are two outstanding classes of members in the Association, not less than twenty percent (20%) of the incumbents on the Board of Directors shall have been elected solely by the votes of owners other than the declarant. This election shall be held separately. From the first annual meeting at least one Director shall be elected solely by votes other than Declarant.

Add: The term of office for each Director shall be set at the annual meeting held November 14, 1985 to be as follows: Three (3) Directors for two (2) year terms of office and two (2) Directors for one (1) year terms of office. Thereafter, each Director will be elected for a two (2) year term.

2. Resolution to allow pooling of reserves in one account as follows:

BE IT RESOLVED that reserve or restricted funds used for future costs for major repairs and capital improvements will be pooled in a money market savings account and/or certificate of deposit, with separate detailed ledgers maintained for each type of reserve: painting, roofing, paving, tennis courts, and new construction.

3. Resolution to carry forward excess assessments as follows:

BE IT RESOLVED that any assessments earned each fiscal year in excess of operating expenses and reserve account funding will be carried forward to the following fiscal year.

4. Election of Directors: Electing three (3) directors who will serve two (2) year terms and two (2) directors who will serve one (1) year terms. Terms will be decided in order of number of votes cast. Each unit has a total of five (5) votes for the election of directors. Voting may be cumulative which means the 5 votes may be split and cast between those nominees for whom you wish to vote. Total votes cannot exceed five (5).

The names of persons to be placed in nomination for a seat on the Board of Directors are:

Adorjan deGalffy
Mark Elliott
Hal Hallett

Harold Tillinghast
Bernard Wileman

There may be the possibility of nominations from the floor at the Annual Meeting or by vote by proxy.

5. Other Business: Transacting such other business as may properly come before the Meeting.

The Board of Directors has fixed September 1, 1985 as the record date for determination of homeowners entitled to notice of and the right to vote at the Meeting.

A form of Proxy for voting at the Meeting is enclosed. Homeowners who complete and deliver the Proxy have the right to revoke it at any time before the meeting by completing and delivering a Proxy with a later date. In addition, the powers of a Proxy holder will be revoked if the Homeowner is present at the Meeting and elects to vote in person.

All homeowners represented by a properly completed Proxy received in time for the meeting, will be voted in accordance with the instructions on the Proxy.

IF NO INSTRUCTION IS SPECIFIED WITH RESPECT TO A MATTER TO BE ACTED UPON, YOUR VOTE WILL BE CAST IN FAVOR OF THE PROPOSALS LISTED ON THE PROXY.

IF ANY OTHER BUSINESS IS PROPERLY PRESENTED AT THE MEETING, THE PROXY WILL BE VOTED IN ACCORDANCE WITH THE RECOMMENDATIONS OF THE HOMEOWNERS ASSOCIATION BOARD OF DIRECTORS.

SINCE IMPORTANT MATTERS ARE TO BE CONSIDERED AT THIS MEETING, IT IS VERY IMPORTANT THAT EACH HOMEOWNER VOTE, WHETHER IN PERSON OR BY PROXY.

WE URGE YOU TO SIGN AND RETURN THE ENCLOSED PROXY AS PROMPTLY AS POSSIBLE. THE PROXY MAY BE RETURNED IN ANY ONE OF THE FOLLOWING WAYS:

1. MAIL TO: THE BOARD OF DIRECTORS
C/O 67 GLEN LAKE DRIVE
PACIFIC GROVE, CA 93950
2. MAIL OR PERSONALLY DELIVER TO: THE GLEN OF PACIFIC GROVE HOMEOWNERS ASSOCIATION
C/O MANGOLD PROPERTY MANAGEMENT
584 POLK STREET
MONTEREY, CA 93940
3. PERSONALLY DELIVER TO: ANY MEMBER OF THE BOARD OF DIRECTORS
4. DELIVERED TO: PROPERTY MANAGER'S MAIL BOX ACROSS FROM UNIT # 28, THE GLEN
5. DELIVERED AT THE ANNUAL MEETING, NOVEMBER 14, 1985

DATED: October 22, 1985

By Order of The Board of Directors

Mary Fair
Mary Fair
Vice President