

## RAISING DUES IN DIFFICULT ECONOMIC TIMES

**QUESTION:** Can the board continue raising dues, without ever asking the individual homeowners to vote about such an issue in these very difficult economic times???

**ANSWER:** As long as the board stays within limits set by [Civil Code 1366](#) (5% special and 20% regular assessments), it can raise dues without a membership vote. Even though board members are owners just like everyone else in the association, legal duties are imposed on them as soon as they are elected to the board. They may not want to raise dues any more than you do but they face potential liability if they fail to repair the common areas.



**Spending.** Boards have narrow budgets with little or no discretionary spending. At best, they can defer some maintenance and implement limited reductions on a few expenses. Maintenance deferrals can, however, pose considerable risk if a leaky roof results in significant water damage, mold, and litigation. In the end, the deferral may be much more expensive than the original repair.

**Easy Answers?** There are no easy answers. Boards can defer what is reasonable to defer, squeeze every penny out of the budget, and limit dues increases. But associations still have to pay their utilities, buy insurance, update reserves, collect assessments, prepare financial statements, mow the lawns, and make repairs. If service providers raise their rates, boards may have no choice but to raise dues.

July 12, 2024  
Board Meeting  
Update





Wildwood HOA  
Board Meeting Agenda  
June 12, 2024

Call to order:      Time:

Attendees:

Open forum Rules

During open forum, each attendee may address the board for up to 3 minutes. A director or manager may briefly respond to statements made or questions posed.

Speakers must observe rules of decorum and not engage in obscene gestures, shouting, profanity, or other disruptive behavior. If a speaker is in the middle of a sentence when time is CALLED, he/she may finish their thought before sitting down. The time guidelines ensure that others have an opportunity to speak. Speakers may not allot their time to others. All persons must follow Meeting Rules "Roberts Rules".

- Approval of minutes  
M  
S  
C
- Treasurer's report\*  
M  
S  
C
- Manager's report to include Insurance Renewal\*\*  
M  
S  
C
- Liens  
M  
S  
C
- Adjournment of open meeting

**KEY:**

**M= MOTION**

**S= SECOND**

**C= CARRIED**

**A= ABSTAIN**



Board Meeting Minutes  
For Meeting Held 05-28-2024  
Meeting Time: 3:00 p.m.

05-28 meeting did not obtain quorum.



Board Meeting Minutes  
For Meeting Held 09-20-2023  
Meeting Time: 3:00 p.m.

Present: Patrick Bohner, David Albright, Fred, Tania Hicks, Diana Pop Madelene Winter, Lisa L, Dianna B.  
Meeting called to order at 3:05 p.m.

The Board resolved to approve the minutes from last meeting.

M-Diana  
S- Patrick  
C – All  
A - None

The Board resolved to accept financials as submitted.

M- Diana  
S- Tanya  
C – All  
A - None

The Board resolved to accept the Manager's report as submitted.

M-Fred  
S- Tania  
C – All  
A - None

The Board resolved to go forward with a 24-month assessment of \$82.00 per month for roofs to be replaced/repared to a minimum of 10 years remaining useful life.

M- David  
S- Tania  
C – All  
A – None

The Board resolved to go forward with a new checking account dedicated to proceeds for the payment of the insurance premium at Golden Pacific Bank.

M- David  
S- Tania  
C – All  
A – None

Motion made to close open meeting.

M- Diana  
C – All

Meeting closed @ 3:29pm

*Diana Pop*  
Secretary

## WILDWOOD ELECTION NEWS

Dear Member:

Ballots for the **Wildwood HOA** vote are due by **Friday, March 15, 2024**. We have received 6 ballots so far. Please return your ballot if you have not already done so. Returning your ballot will help your Association avoid unnecessary expense and delay.

A ballot package was mailed to every member on Tuesday, February 13, 2024. **If your ballot was lost or discarded, please request a replacement ballot using the button on the election webpage here: <https://pro-ei.com/hoa/wildwood>**. Please note that first-class mail takes up to 5 business days to be delivered.

For more information about this election, please go to the election webpage at: <https://pro-ei.com/hoa/wildwood>

*This email was sent to members of Wildwood Homeowners Association. Pro Elections LLC is an Independent Third Party hired by your Association as the Inspector of Elections. Please call or email with questions.*

**Abigail Padou, Chief Election Inspector**

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## OTHER NEWS

IN APRIL, WILL BEGIN TO RESTORE THE OFFICE AS THE OWNER HAS INDICATED HE PLANS TO SELL SOON.  
SEE THE NEW RULES SENT IT A SEPARATE EMAIL.

DUE TO COLLECTION LEVELS AND THE REQUIREMENT FOR BOARD MEMBERS TO BE GUARANTORS, THE LOAN OPTION MAY NOT BE AVAILABLE TO THE ASSOCIATION.

THE OPPORTUNITY TO ACQUIRE INSURANCE AT 15 TO 20% RATE REDUCTION IS OUT BECAUSE THERE IS AN OPEN CLAIM AGAINST THE ASSOCIATION FOR THE 1<sup>ST</sup> TIME IN ALMOST 20 YEARS.  
THE OUTCOME OF THE CLAIM WILL DETERMINE WHETHER OR NOT THE ASSOCIATION CAN BE CONSIDERED AGAIN.

COURT CASES

FRED TO GIVE UPDATE

MANAGER TO GIVE UPDATE


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## LIENS AND FORECLOSURES

049-0320-050-0000	4200
049-0310-025-0000	6200
049-0320-035-0000	5130
049-0310-010-0000	11500 <b>WAITING ON 15 K CHECK TO CLEAR PER S&amp;G</b>
049-0310-020-0000	6624
049-0320-020-0000	6500
049-0320-032-0000	6550
049-0320-038-0000	1882
049-0330-015-0000	1680
049-0350-019-0000	<b>SOLD</b>
049-0320-007-0000	2530
049-3020-017-0000	9000

\*\* CC&R VIOLATIONS ONLY

**UNITS TO BE REPORTED TO CREDIT AGENCIES BY 03/06/2024**

<b>Lot</b>	<b>Name/Address</b>	<b>Collection Status</b>	<b>Total</b>
049-0310-013-0000		ATTY OFFICE	\$3,171.48
049-0320-024-0000		ATTY OFFICE	\$3,290.00
049-0310-020-0000		ATTY OFFICE	\$10,104.50
049-0310-042-0000		ATTY OFFICE	\$1,830.00
049-0310-037-0000		ATTY OFFICE	\$5,870.00
049-0320-007-0000		ATTY OFFICE	\$5,290.00
049-0320-038-0000		ATTY OFFICE	\$2,500.00
049-0320-013-0000		ATTY OFFICE	\$4,194.90
049-0310-024-0000		ATTY OFFICE	\$3,480.00
049-0330-013-0000		ATTY OFFICE	\$3,770.00
049-0320-050-0000		ATTY OFFICE	\$2,695.33
049-0320-019-0000		ATTY OFFICE	\$2,385.00
049-0350-019-0000		ATTY OFFICE	\$16,920.00
049-0320-027-0000		ATTY OFFICE	\$2,310.00
049-0310-003-0000		ATTY OFFICE	\$2,350.00
049-0310-048-0000		ATTY OFFICE	\$2,610.00
049-0320-019-0000		ATTY OFFICE	\$2,600.00
049-0350-019-0000		ATTY OFFICE	\$5,540.00
049-0320-027-0000		ATTY OFFICE	\$3,190.00
049-0310-003-0000		ATTY OFFICE	<u>\$8,818.62</u>
	<b>TOTAL</b>	<b>\$92,919.83</b>	



**ONGOING PROJECTS**

**FRONT DOOR ROOFS**

REPAIRED OR REPLACED 15 TO DATE – ON HOLD UNTIL STORM DAMAGE REPAIR IS COMPLETE AND WEATHER IMPROVES.

**DRYROT/PAINT**

4071- 4077 WEYMOUTH COMPLETED  
 4121- 4133 BROOKFIELD COMPLETED  
 4102-4116 WEYMOUTH COMPLETED  
 4086 – 4094 SAVANNAH COMPLETED

4175 BROOKFIELD

ROOF REPAIR

4084 WEYMOUTH

**CLEANING UP HOMELESS ENCAMPMENTS ON WW PROPERTY - ONGOING**

## UPCOMING RESTORATIONS

### CAMERAS

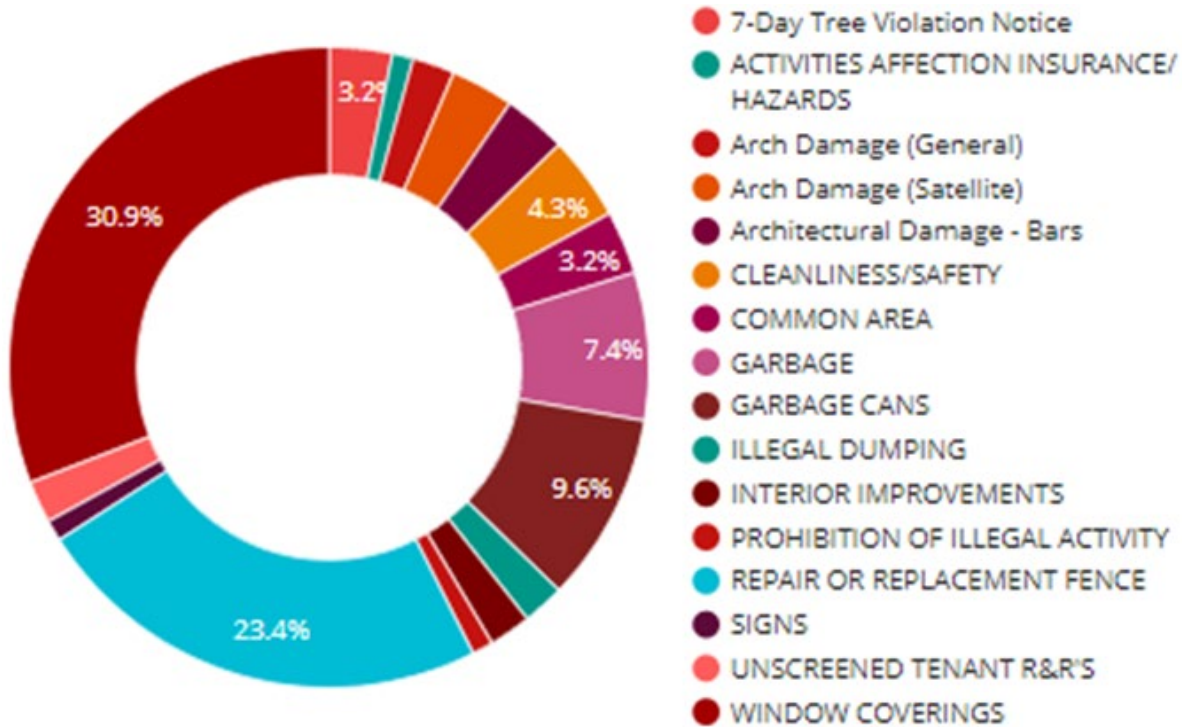
CONTINUED INSTALLATION OF ATTENNAS FOR WIRELESS TRANSMISSION AND TO ELIMINATE COMCAST ACCOUNTS.

TROY COMMUNICATIONS, OUR CAMERA VENDOR, HAD VOICE CAPABLE CAMERA'S RETURNED FROM ANOTHER CLIENT THAT WAS SOLD TO WILDWOOD AT 1/2 PRICE.

IF REQUESTED, RESIDENTS MAY BE GIVEN ACCESS TO THE CAMERA'S ON THEIR PHONES VIEWS WOULD HAVE TO BE MODIFIED..

IN APRIL, BEGAN TO RESTORE THE OFFICE AS THE OWNER HAS INDICATED HE PLANS TO SELL THE UNIT SOON.

## ENFORCEMENT



<b>Total Open CCRs</b>	
<b>Violations</b>	94
<b>Outstanding Hearings</b>	49
<b>Completed Hearings</b>	10
<b>Largest Violations:</b>	
<b>Window Coverings</b>	30.90%
<b>Repair/Replace Fence</b>	23.40%

## EDUCATION CORNER



**Notice: Federal Court Rules Corporate Transparency Act Unconstitutional.**

On Friday, March 2, a federal court ruled the Corporate Transparency Act (CTA) unconstitutional. It is likely the Federal government will appeal the decision. We wanted to share this news with you immediately and we will provide additional details as they become available.

[Tell Congress to support H.R. 5119/S. 3625 Protect Small Business and Prevent Illicit Financial Activity Act and H.R. 4035/S. 2623 Protecting Small Business Information Act of 2023, and fix the Corporate Transparency Act!](#)

## **Overview**

The Anti-Money Laundering/Corporate Transparency Act that passed in 2021 and related Business Ownership Information (BOI) reporting requirements unintentionally apply to more than 350,000 local volunteer-driven, homeownership non-profit organizations in the United States. Community associations, also known as homeowners' associations, condominium associations, and housing cooperatives are usually organized as state non-profit corporations therefore, are swept into the Business Ownership Information (BOI) reporting requirements of the Anti-Money Laundering/Corporate Transparency Act.

The non-profit corporation has shareholders (every owner in the community). The owners pay their fair share of the non-profit corporation's expenses by paying assessments.

Further, the owners select, by election, the board of directors to make decisions on their behalf. The Corporate Transparency Act exempts non-profits that hold an IRS non-profit tax determination. Community associations are incorporated as a local state non-profit corporation; however, they usually do not have a non-profit tax determination by the IRS (i.e., 501c).

The consensus by community association lawyers is community associations incorporated at the state level will be impacted by this new law and will have a responsibility to file information with FINCEN through the Beneficial Ownership Information (BOI) reporting requirements. The Beneficial Ownership Information (BOI) reporting program is slated to be implemented with filings beginning January 1, 2024. The current filing deadline for existing corporations is January 1, 2025. The filing is not yet open. The U.S. Treasury Department's Financial Crimes Enforcement Network (FinCEN) published a statement recognizing the charitable sector that operates domestically presents a low risk for money laundering terrorism financing risk.

The Corporate Transparency Act intends to detect and report suspicious activity including predicate offenses to money laundering and terrorist finance, to facilitate tracking money that has been sourced through criminal or terrorist activity to safeguard the national security and the financial system of the U.S.

This Act was not intended to apply to volunteer-driven nonprofit corporations that are locally based with the sole purpose of providing municipal-like services to residents.

## **Potential Impact:**

At a minimum, here is what is going to need to be reported by the community association to the FINCEN federal agency on an annual basis.

- Business name.
- Legal name of board members, birthdate, home address, and identifying number from a driver's license, state ID, or passport.
- Individuals with substantial control. The same information (name, birthdate, home address, identifying number) of person (s) who exercise substantial control over financial reporting for the community association corporation. It is unclear whether a community manager and/or management company qualify as an individual with substantial control. This is yet to be confirmed. CAI will continue to evaluate this and provide guidance accordingly.
- Changes, corrections, and additions to the filing must occur within 30 days of when you become aware of the change (i.e., board member moves, is replaced, etc.).

Of great concern, is noncompliance of filing could result in civil penalties of \$500 per day and criminal penalties of up to \$10,000 and up to 24 months in prison.

CAI has taken the position that we do not believe the Anti-Money Laundering Act and Corporate Transparency Act are intended to apply to community associations.



**A DUMPING STORY....or Why The Camera's Are Loved**

