

Dear Members,

Enclosed in this mailing, you will find the minutes from our recent Homeowners' Association meetings, the approved budget for 2018, information about swim team signups, swim lesson information, new beginner karate class information and the emergency contact form.

Please take the time to fill out the emergency contact form included in this mailing and send it in to the Creekside Cabaña Club or bring it with you on your first visit to the pool. This is to ensure that if there is an emergency at the Club, we are able to contact the appropriate people.

Finally, for those interested in summer employment at the Creekside Cabaña Club, we are still looking to hire gate guards, lifeguards and one assistant manager for our 2018 season. If interested, visit our website at www.creeksidecabanaclub.com for more information.

We are looking forward to another great year!

Sincerely,
Brad Geldert
President
Creekside Cabaña Club

2018 Budget

To: Members of Creekside Cabaña Club Homeowners Association
 From: Board of Directors
 Subject: 2018 Budget and Notice of Assessment

January 19, 2018

The Creekside Cabaña Club Homeowners Association Members have approved the following budget for 2018. The annual assessment is \$300.00 per lot and \$400.00 per associate member, effective January 1, 2018.

The majority of the association's income is derived from assessments on lots within the development. There is additional income from associate member assessments, approximately \$44,000, income from concessions, guest fees, interest, rental, and swim lessons which is approximately \$101,307. The purpose of the assessment, as set forth in the declaration establishing the association, is quite broad, but as a practical matter it is to be used principally to meet the financial obligations for the provision of services that benefit the homeowners' association as a whole.

To be effective, financial management must be an ongoing, evolving process. The estimates herein are based on the available information and past operating experience. The inflation of long-term renovation costs requires annual evaluation.

Account	2018 Proposed Budget (\$)
Income Assessments	
Members	\$ 133,200
Associate Members	\$ 44,000
<i>Subtotal Assessments</i>	<i>\$ 177,200</i>
Other Income	
Late Fees and Interest	\$ 2,950
Clubhouse Rental Income	\$ 36,000
Swim Team Payroll Reimbursement	\$ 18,000
Newsletter Ad Income	\$ 175
Pool Party Rental Income	\$ 8,000
Pool Guest Fees	\$ 4,500
Swim Lessons	\$ 27,000
Concessions Income	\$ 4,200
Misc Income	\$ 200
Interest Income	\$ 12
<i>Subtotal Other Income</i>	<i>\$ 101,037</i>
Total Income	\$ 278,237
Expenses	
Employee Compensation	
Employer Tax Liability	\$ 96,000
<i>Sub Total</i>	<i>\$ 96,000</i>
Administration	
Accounting/Bookkeeping Services	\$ 11,600
Payroll Service	\$ 750
Legal	\$ 200
Newsletter Expense	\$ 8,000
Bank / credit fees	\$ 500
Website	\$ 200
HOA Social Events	\$ 500
Misc Expense	\$ 1,000
Storage Fees	\$ 300
Administrative Fees	\$ 200
<i>Sub Total</i>	<i>\$ 23,250</i>

Expense	
Concessions Expense	\$ 3,000
Activities Expense	\$ 500
Uniforms- lifeguard/pool	\$ 1,500
Clubhouse Rental Deposit Refund	\$ 16,000
<i>Sub Total</i>	<i>\$ 21,000</i>
Insurance	
Liability	\$ 13,000
Workers Compensation	\$ 3,500
<i>Sub Total</i>	<i>\$ 16,500</i>
Landscaping	
Gardener	\$ 9,000
Irrigation Repairs	\$ 500
Tree Maintenance	\$ 1,000
<i>Sub Total</i>	<i>\$ 10,500</i>
Maintenance & Repairs	
Building Maint/Repairs	\$ 8,000
Janitorial	\$ 4,000
Misc Supplies	\$ 3,000
Fire & Safety	\$ 750
<i>Sub Total</i>	<i>\$ 15,750</i>
Pool	
Pool Suppries & Chemicals	\$ 15,000
Pool Maint/Repairs	\$ 5,000
Pool Permits	\$ 2,500
<i>Sub Total</i>	<i>\$ 22,500</i>
Taxes	
Taxes & License	\$ 12,000
<i>Sub Total</i>	<i>\$ 12,000</i>
Utilities	
Electric & Gas	\$ 23,000
Telephone	\$ 900
Internet	\$ 500
Water	\$ 7,200
Garbage	\$ 4,800
<i>Sub Total</i>	<i>\$ 36,400</i>
Total Expenses	\$ 253,900
Reserve Fund	\$ 24,337

2018 Budget Commentary

Employee Compensation

Pool & Clubhouse Staff \$96,000 – Staffing pool and clubhouse operations includes Pool Manager, Assistant Manager, Lifeguards, Gate Guards, Rental Manager, Swim Coaches, Swimming Instructors and payroll taxes.

Utilities

PG&E \$23,000 – Estimated gas and electricity expense for the club house and swimming pools.

Telephone & Internet \$1,400 – Estimated expense for telephone and internet.

Water \$7,200 – Estimated expense for water this includes the pools, club house and landscaping.

Garbage \$4,800 – Estimated expense for trash removal.

Services

Accounting \$11,600– Estimated expense for professional bookkeeping services and for the services of a CPA to complete an annual audit and financial report as well as preparation of tax returns.

Legal \$200 – This amount is set aside for legal fees that may be incurred during the year relative to collections of delinquent assessments and consultations with attorney as may be required in the operations of the development. There is currently no litigation in progress or anticipated during the period of this budget. However, if such need were required, it would have to be funded by Special Assessment or some other method.

Newsletter \$8,000 – Estimated expense for publishing the association's newsletter, which includes professional publishing, printing, postage and mailing.

Janitorial \$4,000– Estimated expense for contracted janitorial maintenance for the club house.

Landscaping \$10,500 – Estimated expense for contracted landscape maintenance.

Supplies

Cleaning \$1,500– Estimated expense for general cleaning supplies for the clubhouse and pool area.

Pool \$15,000– Estimated expense for pool chemicals and all supportive supplies.

Misc. Supplies \$1,500 – Estimated expense for all other supplies.

Maintenance / Repair

Buildings & Grounds \$8,000 – Estimated expense for minor repairs and general maintenance of the buildings and grounds.

Pools \$5,000 – Estimated expense for general repairs of the swimming pools.

Fire and Safety \$750 - Fire extinguisher service and replacement purchase.

Administrative

Payroll Service \$750 - Estimated payroll service expense.

Activities \$1,000 – Estimated expense for association sponsored activities at the club house or pool.

Snack Bar \$3,000- Estimated expense for purchase of concession items to sell in the snack bar.

Assessment Refunds \$0 – Estimated expense for assessment refunds due to change of ownership.

Rental Deposit Refund \$16,000 – Estimated expense for refund of club house rental deposits.

Insurance \$16,500 – Estimated expense for insurance which includes workers' compensation, liability, and Directors & Officers (D&O).

Office Expense \$4,800 – Estimated expense for postage, copies, bookkeeping supplies, etc., relative to the normal operations of the Association. Such items as notices, annual reports, budget, monthly billings, etc., are charged to this expense item.

Bank and credit fees \$500.

Financial Record Storage and Administrative fees \$500.

HOA Social Events \$500 - estimate for costs associated with Homeowners Association events.

Taxes / License \$12,000 – This amount is set aside for taxes, licenses, and pool permits. These include but are not limited to property taxes, occupancy, health, and hazardous materials permits.

Reserves \$24,337 – The basis for the reserve funding amounts were established by the original builder, actual data obtained from bids or previously completed work, and/or a reserve study that is completed every three years. This information should be reviewed annually by the Board of Directors and if required with assistance from outside consultants. While it is the intention of the Board of Directors is to adequately fund the reserves, the uncertainty of future costs and replacement timing and the funds available for replacement may or may not be adequate to meet their intended purposes. Additionally, an inherent limitation of a reserve schedule is that all items may or may not be included in the schedule.

Note: State law requires that a copy of the budget be furnished to any prospective purchaser of units within this community association. Therefore, please keep this budget and assessment notice with your Association legal documents.

Board of Directors
Creekside Cabaña Club Homeowners Association

Creekside Homeowners Association
2017 Annual Board Meeting
November 16, 2017
Minutes

Call to Order and Attendance:

President Brad Geldert called the meeting to order at 7:36 p.m.

Directors:

Brad Geldert	Present	President
Sally Duffy	Present	Vice-President
Shawn Francis	Present	Secretary
Ivonne Luescher	Present	Treasurer
Gary Nevoli	Absent	Director 1 (term expires 12/31/18)
Deborah Garner	Present	Director 2 (term expires 12/31/18)
Ted Wong	Present	Director 3 (term expires 12/31/17)
Ruben Nasol	Present	Director 4 (term expires 12/31/17)

Verification of Quorum to Hold Meeting:

Verification of quorum to hold the Annual Meeting: *According to Section 4 of Article VII of the Cabaña Club by-laws, 20% of the 444 homeowners must be present either in person or by proxy.* There were six (6) board members present and four (4) members. There were also 94 proxies verified.

Reading of the Minutes:

The minutes of the 2016 Board Meeting were reviewed. All in attendance unanimously accepted the minutes.

Election of Board Officers and Director 3 and 4:

Two members, Scott Farstad and Daniel Logan, attended the Board meeting who were interested in joining the Board. Ruben graciously decided not to run for re-election in order to allow new faces on the Board. Scott Farstad was elected by a unanimous vote as Director 4. Daniel agreed to shadow Shawn in preparation to replace him as Secretary in 2019. Ted was re-elected by a unanimous vote as Director 3. Directors 3 and 4 terms will run until December 2019.

Brad Geldert made a motion that all other officers remain in their current roles for the next year. The motion was seconded by Ted and unanimously approved by all present.

Approval of the 2018 Proposed Budget:

The Board discussed the proposed budget for 2018. The Board unanimously passed a motion to accept the budget as it was presented.

Adjournment:

The meeting was adjourned at 8:44 p.m.

Minutes prepared by Shawn Francis.

Creekside Homeowner's Association
Board of Directors Meeting
November 15, 2017
Minutes

Call to Order and Attendance:

President Brad Geldert called the meeting to order at 8:44 p.m.

Board Members:

Brad Geldert	Present	President
Sally Duffy	Present	Vice-President
Ivonne Luescher	Present	Treasurer
Shawn Francis	Present	Secretary
Gary Nevoli	Absent	Director 1 (term expires 12/31/18)
Deborah Garner	Present	Director 2 (term expires 12/31/18)
Ted Wong	Present	Director 3 (term expires 12/31/19)
Scott Farstad	Present	Director 4 (term expires 12/31/19)

Pool Management:

Vacant - Manager

Swim Team Board Representative:

Angela Smith – Parent Rep Absent

Associate Membership Chairperson:

Denelle Fedor Absent

Rental Manager:

Shelley Leyva Absent

Reading of the Minutes:

- The September 2017 Board Meeting minutes were reviewed and unanimously approved by the Board with a change noting Deborah had been present at the meeting.

Treasurer's report:

- The September 2017 financial reports were approved by a unanimous vote of the Board.
- Ivonne reported a reimbursement check, which was mailed to Deborah's home, was stolen from her mailbox. The thief then "washed" the check (which means the all the amounts on the check were erased and the thief put on a new name for the payee and new amount the check was made out to.) The thief made the check out for \$1,665.54 to Christopher Armenta. The theft was reported to the police and our bank.
- Reviewing the October 2017 financial reports was put off until the next Board meeting to give Board members a chance to review them.
- Sue Peredo is being removed from QuickBooks as "primary contact." Ivonne Luescher will now be the "primary contact" for QuickBooks.

- The new bookkeeping service will be utilizing an electronic service for signing checks. This will allow Board members to remotely, electronically sign checks eliminating the need for Ivonne to track down two Board members every time a check is cut.
- Homeowners will now be able to pay their dues online with the new service.
- To utilize the new checking service we will need to open a new bank account where our bookkeeper does their business. The new bookkeeper will help us set up the new account.
- Brad motioned the new accounting services, Condominium Financial Management be authorized to open a new bank account for the Creekside Homeowners Association with Community Association Banc (the HOA department of Mutual of Omaha Bank), and this will become our primary checking account for the Association. The Board unanimously approved the motion.

Chronicle Editor's report (Mailings in March, May, June, July, August, and October):

- The next Chronicle mailing will be the October mailing.

Rental Report:

- Shelley was not present and did not present a report.

Pool Manager's report:

- Sue has decided not to come back next year as the Pool Manager. We will begin a search for a new manager.

Swim Team Report:

- Scott reports the first half of the Winter Conditioning Program ends on November 16, 2017. It will start up again in January 2018. It was well attended by around 50 swimmers.
- Shawn reported he current Swim Team bank account balance is \$70,500.94. The team still owes money for coaching salaries, heating costs, and supply costs for the pool. Additionally, the surplus has been built up in order to host Champs this year. The money left at the end of the season will be spent down on team equipment and needs.

Facility Report:

- Recently the Cabana Club was threatened with an ADA lawsuit related to handicap accessibility. The Board retained the services of an attorney who specializes in these types of claims. The attorney recommended the Cabana Club hire a Certified Access Specialist who completed a site survey of our facility. The Board hired the recommended Certified Access Specialist and had the site survey completed. Based on the actions of the Board, the claimant has stated he will withdraw his lawsuit.
- Our attorney and the Certified Access Specialist has recommended the Cabana Club move forward with updating our facility to avoid other potential ADA lawsuits. Since we have had the site survey completed, the law now gives us a grace period from other claimants while we work on our plans for updating the facility. The Board will review the site survey and recommended repairs to decide a plan of action.

Old business:

- None discussed.

New business:

Special Guest:

San Jose City Councilmember Sylvia Arenas

- Sylvia spoke to the Board about the availability of city grants for both community events and for community beautification. One of the requirements for the grants is that a Neighborhood Association would need to be formed. Our H.O.A. does not qualify as a Neighborhood Association. We would need to create another organization and adopt the city-approved bylaws to be eligible. Our neighborhood can create an Association just for our area or we would need to join another one nearby that is willing to include our neighborhood to be eligible. Sylvia's aide will provide us with more information so the idea can be shared in our next Creekside Chronicle.
- The Senior Housing Initiative that is currently trying to get enough signatures to be on the city election ballot is related to the land directly behind Evergreen Valley College next the Hitachi building. This land is currently zoned as industrial. Berg owns the land and is trying to circumvent the city process by putting his construction project as an initiative on the ballot. This initiative will avoid the required mitigation for traffic and circumvent the city's general plan for construction. The homes proposed for this construction site will be large, luxury homes that are single detached homes. The ballot proposal is being written to trick voters into thinking these homes are to help seniors and low-income people with the housing crisis. The affordable housing listed in the initiative will be outside the gated community being built. There will not be any restrictions on the age of those purchasing the houses and no restrictions on how many additional family members can live in the house. The "word" needs to be spread regarding this tricky initiative. Sylvia is asking for everyone's help to spread the "word." Once the initiative qualifies for the ballot, Sylvia will not be able to speak anymore to citizens about the initiative while on City time.

E-mail Approved Items:

- Brad sent out, via e-mail on October 10, 2017, a motion to the Board to hire Condominium Financial Management, Incorporated as our new bookkeeping service. Shawn, Gary, Ted, Ruben, and Brad responded to the motion with "Yes" votes. None of the other Board members responded to the motion. It passed with a majority vote of the Board on October 11, 2017.

Adjournment:

The meeting was adjourned at 9:34 p.m.

Minutes prepared by Shawn Francis