

Villa Rosario Homeowners Association
158 E. Nandez Ave., VRHA#142
Dededo, GU 96929
Annual Meeting Minutes
Held March 29, 2014, VRHA Poolside

1. **Participant Sign-up & Issuing of Ballots:** The meeting started at 9:30AM as scheduled. The meeting participants and proxy holders started signing up in the signup sheet. Their credentials as homeowner and or proxy holder were checked by the Board Secretary & Board Vice-President against the units deed documents that were provided to the Secretary just as the meeting started. Ballots were issued after verification of credentials and then they were entered into a spreadsheet station managed by Deloitte & Touche volunteer auditors Alma To & Pamela Pineda. Ballots were issued at the time of signing up upon ID verification & proxy verification. After this process the need for verbal roll call was deemed moot. There were 77.46 percentage of homeowners who were represented at the meeting, way above the required quorum.

2. **Proof of Notice of meeting:** It was reported that the notice of the meeting was mailed to homeowners and placed in the local newspaper Marianas Variety.

3. **Call to Order:**

The meeting was called to order at 10:30AM. The Board Secretary called for a Point of Order and pointed out that this was the time for submitting protest against any procedural and other irregularities committed by the board in conducting this meeting and presented a protest letter (see attached) to the Board President which she signed and acknowledged the receipt of.

The Board Secretary informed the attendees that the secretary was prevented to do his job in a timely fashion to check the ownership of the units against unit's deed documents prior to the elections. These documents were not provided to him until just prior to starting of this meeting. And there were other matters of concern pertaining to the questionable and ambiguous format and content of the meeting and election related documents that appear to be suggestive of potential for conflict of interest on the part of Century21 where-in it is soliciting homeowners for its office to act as their proxy without explicitly declaring that there is a possibility that the Century 21 office can use the homeowners' proxy to vote in its favor if the issue of retaining the Century 21 services came to a vote at the annual meeting. And this scenario provides a potential conflict of interest situation for Century 21.

A motion to make the protest letter as part of the meeting proceedings was made and seconded. [Prem/Bert] After some heated discussion on the matter a homeowner asked whether this can lead to litigation? It was explained that the intent is to bring this issue to homeowners' attention and for the board to be cognizant of such issues in future. An attorney homeowner opined that in his judgment it may have the potential for litigation. The motion was not carried.

Approval of Last year Annual Meeting Minutes:

Motion to accept the minutes with corrections was made, seconded and carried. The corrections were to add "Kent requested the drawings of the Tennis Court and Basketball court for him to review the designs." under item 4-12: Building Painting and Maintenance.

4. **Report of Officers:**

The following time allocation for the officer's report was agreed to: **President -15 minutes, Treasurer -5 minutes, Secretary -5 minutes and Roberta agreed to be the Time Keeper.**

President Report:

Board president Laura Dacanay presented a verbal report. Here are the main items she touched upon:

1. The board didn't accomplish much this year. Not all minutes were approved. There was delay in updating the minutes.
2. Bert kept bringing up the issue of Suzanne signing the checks. Susan kept association bills paid by signing the checks. There was a delay in getting in the signature card to the bank as Annmarie signed in blue ink and the bank won't accept it.
3. We couldn't hold the board meeting in November-December as she was off-island.
4. RM was accused of waiving late fee. Sometimes it is a case of analysis-paralysis.
5. On fire alarm panels -Prem was able to get lower quote from Phoenix and that delayed approval. We have to rely on Phoenix.
6. We painted parking stop-bumper for a cost of over \$5000.
7. Roof Seal Project: Roof got painted for about \$95,000/- and roof enclosures were done to prevent unauthorized personnel going on the roof.
8. Speed bumps were installed to prevent speeding of vehicles in the parking lot.

9. We changed security guard services to G4S.
10. Basketball court paint had worn off and was looking ugly. We stripped basketball court paint and had the lines redone.
11. But not all got done. Pool repairs/renovation still needs to be done. Children playground needs lights. We all need to work together.
12. Your investment: Value of your property is going up. There were basketball court and Tennis court improvements. In 2008 we were paying \$2700/- to RM and \$900/- to accounting manager. Now we are saving money, paying Century21 \$2800/- a month.
13. Bert refuses to have an email account.
14. Safety padding - more information was needed. If you want to pay more we can do more.

Vice-President Report:

Vice-President Annmarie Muna thanked homeowners for electing her on the Board. She said that it was very challenging and very difficult to get much done.

Secretary Report:

Secretary, Dr. Prem Singh, provided a brief verbal report as well as a written report that is attached. The main points of verbal report were:

1. **Erratic Board Meetings Schedule:** Agenda and meeting minutes were sent approximately a week in advance and many times months in advance of the date of the meeting to be held. The board had no meetings for a span of three and a half months and then held three meetings in a span of less than a month.
2. **Reading and Approval of Minutes Stopped:** After September 5, 2013, board meeting the board president decided to stop reading of the minutes in the meetings and therefore effectively blocking the approval of the minutes. It seemed that the board president didn't like that the minutes were providing details of board discussions that were too close for comfort for some.
3. **Roof Seal Project:** The secretary chaired the Roof Seal Project committee composed of VRHA engineers Kent, Nandgopalan, and Villena. The committee provided the recommendations to the board.
4. **Who needs documentation?** It is apparent that the culture being practiced by the board is to do things with as little documentation as possible or verbally if possible. Property manager and Resident manager are not required to provide any written reports to the board. The quotes are presented to the board with minimal specifications.
5. For a complete details and other issues that need attention, please, read the attached report.

Treasurer Report:

Treasurer Bert Silos provided the verbal report which is summarized below.

1. He stated that some members of the Board have been accusing him and Dr. Singh of not following the VRHA By Laws. He cited article 1V section IX of the By Laws pertaining to the signing of checks and other documents.
 - o In summary the article specifies that in the absence of any special resolution by the board, all association checks & contracts etc. must be signed by President or Vice-President and Treasurer or Secretary.
 - o He further stated that according to the Election of Officers minutes, signed by Suzanne Perez, the 2013-14 Board officers elect were: President (Laura Dacanay), Vice-President (Annmarie Muna), Treasurer (Bert Silos), Secretary (Prem Singh), Member-at-large (Suzanne Perez).
2. He continued to say that he has with him copies of 74 checks dating from April 1, 2013 to August 1, 2013, for a total value of \$144,000/-, approximately half of Villa Rosario budget, signed by Suzanne Perez, Member-at-large, who according to Villa Rosario By Laws was not an authorized signer.
3. President Laura Dacanay, who cosigned these checks, later in the year proposed to the board to approve those actions by Ms Perez. He then posed the question to homeowners: "Who do you think is not complying with the By Laws? Is it them or is it me?"
4. Bert then stated, "They say dropbox is approved by the board. I went to the website and everything but has not found any board resolution authorizing the dropbox nor the homeowners association authorization."
5. The Coupons: He asked Century 21 that who authorized the 3-month printing of coupons? According to Century 21 it was the Board. And he did not see any board resolution indicating any such authorization by the board.
6. Compliance Audit: The audit we have been doing is looking at income and expenses. I have been asking about compliance audit where the expenses can be justified in compliance with the By Laws just like the \$144,000/- expenses I mentioned before.

Member-at-large Report:

Member-at-large Suzanne Perez provided a verbal report as quoted below:

1. "First of all touching on specifications for certain projects that basically were delayed. Me, Laura and Annmarie first time had set of questions. Fred is not a mind reader.. They have been on the board so long they tend to know.. They have all these specifications they want met. Just list it, not write a report, not anything long, just bullet points, just

what Fred or Century 21 needs to do or what they want them. So one time shot we can take a look at, approve it, it is quicker. They say that it is not their job.

2. Minutes: Mentioned a lot about minutes. I have my own concerns personally. Our secretary is not as quick in writing notes. We have to repeat ourselves sometimes 3-4 times as to what in fact we said. Some of the minutes that we read said the kind of thing I said I didn't say. I don't know about you but I don't want to go on record that I said in fact which I didn't.
3. Bullying: I felt that I have been subject to bullying for quite some time by these two board members in particular because of the fact that they were questioning my integrity in regards to signing checks. I had been signing the checks for this association since 2009. I step up to the plate to pay all of our common area dues, GTA Bill, Lagu Sanitation, Century 21, Service Masters, Security. I were the only, Laura and I were the only two who were left on the signature card from the last board. The treasurer, it took him quite a few months to figure out that he wasn't signing checks because as Laura mentioned that we are having issues with having signature card in place with Annmarie signature. So it is clear there is a declaration that I was still the authorized signer. If in fact you prefer that I not sign it, you will be in big trouble. So that is up to you to decide.
4. Waiving of late fee: I never went to Century 21 and said I Suzanne Perez, general member-at-large do here by waive the late fee. It was mentioned about two annual meetings ago I believe by Zimmerman that he wants a dropbox to make it more convenience to the homeowners. In the same meeting the homeowners said yes, that's what we want. It was approved by this body. It doesn't matter to us, it's up to you guys. I go there personally myself and get the receipt. Bert in one of our board meeting said if I were a check signer. He actually resigned as a treasurer in one of our board meetings. Because he didn't want me to sign any checks. We asked him why? What you have against me to put my signature on a check. he said he had his reasons. So that right there makes me feel like, you know, what? I cannot be trusted? At my work I have big budget they trust me, why you cannot trust me. Anyway, they voted for me to be a check signer. (Bert interjected -who?) So I went ahead and said no, even there was a motion and it was approved that I can be added back as a check signer I told Laura and Annmarie I would not sign any checks for the association moving forward. You ask them why you as Treasurer took so long to figure out why you were not signing the checks. Thats all."

Questions:

- Bert stated that he said a while ago that Suzanne signed the checks when she was no more authorized to sign the checks according to Villa Rosario By Laws. She is arguing that her signature were in the Bank card.
- He posed the question: Who governs Villa Rosario Association -is it the homeowners through its By Laws or is it First Hawaiian Bank, Laura is whose Senior Vice-President? There seems to be some kind of conflict of interest there.
- Dr Singh thanked Suzanne for the report and asked Suzanne -knowing very well that Election of Officers Meeting minutes had to be approved, and were needed by the bank to accept the signature card, the meeting minutes were not available and not approved until 3 months later (July, 2014, board meeting), and it did not matter whether Annmarie's signature were in blue ink or not. That is the issue I am fighting. People want to twist the facts.
- Suzanne interjected that she provided the minutes to Century 21. Dr. Singh told that but the minutes were to be provided to the Board for approval and not to Century 21.
- Laura interjected:"It was on the agenda May 2nd as well. The first meeting we had after the annual meeting, the minutes were there."
- Dr Singh stressed that, "Yes these minutes were on the agenda for approval and I objected that since the minutes were not distributed we can't vote on it." So the minutes could not be approved as there were no minutes to approve. Dr Singh even offered to provide audio of the meeting to verify this fact. He then went on to say that this was basically the problem. Some board members want to change the facts.

Roberta asked the following two questions to the board president:

1. **Roof access locked:** Are people still able to access the roof? Laura replied, "Yes, they need to make prior arrangements."
2. **CAF Booklet:** "I received the CAF booklet for only 3 months and there was no letter explaining why it is for only 3-months. Then I went to Century 21 office and asked and they said there is going to be a Board meeting and they may want to raise the common area fee. Please, explain what happened to that situation."
 - Laura explained that the budget was not ready at the time and we didn't know if there will be change in the CAF. We didn't mean to raise CAF but it was in case scenario. Now we have the budget and numbers. And we have no plan to raise CAF. After some more discussion Roberta stated that her only concern was that Board did not send any explanation as to why the change was made. Prem also added that the matter should have been discussed in the board meeting and a vote taken before printing three month only

booklets that cost about the same as the 12-month booklet. Laura apologized for that and said that was an oversight.

Residents not being Informed of change in Groundskeepers:

Promila pointed out that grounds maintenance person have been changed three times this year and we never got any notification from the board that there will be a new person around. People were calling and were concerned about unknown person picking up trash or roaming around the premises. We have resident manager, property manager, and board and I think it is their responsibility to inform residents and homeowners whenever there is a change of ground maintenance person.

Reimbursement for Mrs. Felix:

Motion to reimburse Mrs. Felix for personal expense of the 3-month booklet payment, as it was not her fault, was made and seconded. [Bert/Angele]

During the discussion Laura explained that what happened was that printer charge for three months was almost the same as for 12-month. Roberta added that in that case it would have been better for us to do the 12-month instead of 3-month. Motion was approved after some more comments and discussion.

Approval for Dropbox:

Motion to have the Dropbox at the Villa Rosario premises was made and seconded. [Nadine/Annmarie]

During discussion Dr. Singh explained that nobody is proposing that the dropbox be removed but questioning only to the way the delivery of the checks to the Century 21 office is being handled. The issue has been to have a policy that every homeowner whether he goes to pay at Century 21 Office or deposits the payment in the dropbox should be treated the same way. Roberta tried to clarify the discussion by asking: "In other words whatever is being put into the box it must be at the Century 21 on the 10th. If it is not at the Century 21 on 10th, even if it is being put in the box, is late." Laura added "That is what they are proposing." Dr Singh clarified -not exactly. What is being proposed is to apply the same payment deadline rules for considering a payment late to the homeowner who pays at Century21 office or drops the payment at the dropbox. Now a homeowner who could not go to Century 21 office by 5:00PM pm of 10th deadline goes to make payment the next day morning is being charged late fee of \$40/-. But a homeowner who drops the payment in the dropbox after 5:00pm of deadline date of 10th is not charged late when the payment is taken to the office the next day. The resident manager added that the dropbox is open after 5:00pm and whatever is dropped by midnight he goes and grabs the next day morning and delivers to the Century21 office and those are not considered late. Dr. Singh said that that is exactly one of the issue is. Mr. Felix added that Century 21 has a dropbox at the office door and if someone drops say at 6:00pm or 7:00pm, we pick up the payment the next day and it is not considered late. Dr. Singh said that this fact is not being told to the homeowners and the board members and that he heard about it for the first time. If that is the case, then it is fine, but it needs to be communicated to the homeowners.

Bert expressed a concern that, if he is not mistaken, the board president had said in a board meeting during the dropbox discussion that RM Mr. Perez is doing us a favor by picking up the checks and delivering these to the Century21 office. I would like to contradict that statement because Mr. Perez is not doing us a favor but as a Century21 employee, he is being paid.

Any More Questions:

Laura asked if there were any more questions.

Promila Singh said yes she wanted to comment on President's report in which she said they were saving money in management and pool services etc.

Promila stated, "In 2008 when board was paying little more to the RM, when I was RM, the RM was available all 24 hours a day, 7 days a week. Even odd hours at night like 2, 3, or 4 o'clock , people were calling and every time the call was answered. Now we have RM and Property Manager but when we call nobody answers the phone. And even when we leave messages the calls are not always returned. Even we have given the cell phone to the resident manager from the association account.

Similarly, you might be saving a little money for the pool cleaning compared to earlier. But earlier the pool was getting cleaned everyday in the morning. And now we get pool cleaning twice a week only. Lately I started going for swimming and I found pool so dirty that I had to swim with floating dead Prey Mantis, dead millipedes, and other bugs. I felt sick to the stomach and stopped going for swimming. That is the situation of the pool.

So my point is that even if you are saving little money by paying less to property manager and for pool cleaning but the service is poor now. You have to acknowledge that."

At this time Laura made the following comment. Quote, "I also had an issues with my common area. I came to annual meeting and I gave Mrs. Singh the information on my common area. And I even came to the following annual meeting. And I even never got a response." Mrs Singh countered that, "No, you never gave me the documents because we had financial manager and I as a Resident Manager never handled accounting issues. The accounting documents were supposed to go to the accounting people & not me." Dr. Singh insisted that during

that time all accounting matters were handled by the financial manager. And that is whole problem, Laura, after more than 8 years, you were accusing the wrong person for the wrong reasons.

5. New Business:

Pool Renovation Committee:

Motion to setup a committee to look into pool renovation and set \$50,000/- cap in budget was made and seconded. [Roberta/Laura]

After some discussion, amendment to raise the cap to \$65,000/- passed. [Roberta] Then the main motion passed as amended.

The Committee:

It was agreed unanimously to have the homeowner engineers to serve on the committee. Laura was to contact Ms. Cozette, Villena to check for her acceptance. Kent, Nandgopalan, and Dr. Singh were elected to the committee.

The Budget:

Motion to approve the budget with the corrections was made and seconded. [Bert/Annmarie]

The motion passed with the following corrections:

- Budget Item #86 to read as: Pool Deck/ Coping Projects \$65,000/-
- Budget Item #87 to read as: Fire Alarm Panel buildings A, C & D Bldg.
- Budget item #62 to read as: Fire alarm System \$2600.00

It was clarified that item #62 budget is for annual certification.

Security Guard Services:

Roberta commented that security guard needs to be visible and walking around and not sitting in car. She relayed her early morning experience when she went to walk and three boys jumped in over the property fence. She kept looking for the security guard as she didn't want an encounter with the boys alone.

Graffiti:

She also pointed out that there is still graffiti at the pool from last year. Nadine inquired about the what can be done if someone catches any person doing the graffiti? Can that person be evicted? It was clarified that it should be reported to the property manager and he will take the appropriate action as per the house rules.

Parking:

Kent pointed that it is very hard to find parking late at night and it is becoming a hassle. The idea of issuing visitor decals by security at night was proposed but did not go far when it was brought to the attention that security guard leave at 5:00AM and to whom the decals will be returned to the next morning?

Parking Committee:

Kent, William, Nandgopal, & Bert volunteered for the committee. It was agreed unanimously that the Parking Policy Committee come up with the parking policy.

6. Elections: Floor was open for Nominations:

Nominated/Seconded:

Self/Board	Joanne		Nadine/Kent	Laura		Fred/Laura	Suzanne
Prem/Laura	Annmarie		Self/Prem	Bert		David/Promila	Prem

Motion to close nominations (Fred/Annmarie)

7. Results: The following outcome of the election was announced:

Joanne	14.246%	Prem	14.079%
Laura	20.514%	Suzanne	14.267%
Bert	8.016%	Annmarie	3.46%

8. Meeting was adjourned at 1:15PM.

Signed:

Laura Dacanay, 2013-2014 President _____ Date Approved: _____

Dr. Prem Singh, 2013-2014 Secretary _____