

MINUTES OF MONTHLY MEETING
SMPOA BOARD OF DIRECTORS
February 1, 2012

1. The Meeting was called to order at 6:30 p.m. by Natasha Roit. It was held at 3929 Malibu Vista Drive, Malibu, CA 90265.
2. A quorum of Directors was present: Barbara Belcher, Karen Harding, Nancy Posner, Becky Rickley, Natasha Roit, Paul Rudzinski, and Helen Tartavull.
3. Directors absent: None. Steve Carcano resigned by email January 29, 2012. Ann Mohr and Craig Mohr resigned by email letter attachment January 29, 2012.
4. Owners present: Roger Bollinger, Colleen and Paul Brydon, Sylvia Dunbar, Richard Dominguez, Marika Erdely, Pat Hackel, Stan Kamin, Katerina Klotz, Ray and Jackie Lahr, Michael and Susan Lowenstam, George Mallouk, Rob Manning, Roger Mass, Francis Riegler, Mimi Rose, and Tom Sadowski.
4. Roit introduced new Board members Nancy Posner and Karen Harding. Posner was elected on January 28, 2012 at a Special Meeting of the Board. Harding, co-chair of the Architecture Committee, was appointed AC Liaison to the Board on January 31, 2012 by Roit in accordance with the By-Laws.
5. A Motion was made by Belcher and seconded by Rickley to acknowledge that the minutes of the meetings of January 2, 4, and 28, 2012 were unanimously approved by email votes. The Motion was unanimously approved.
6. Roit said plans for the revote in tract 26458 are proceeding. Counsel is being selected to advise SMPOA on setting a clear and uncontroversial voting process. Selection criteria include strong credentials in HOA matters, including election procedures, experience in other areas of law pertinent to prospective SMPOA concerns, litigation expertise, and a proven record of responsiveness. After discussions with firms and clients, Roit identified three candidates. Their resumes, proposals, and retainer agreements were circulated to the board. The prime candidate is to be interviewed by the full board.
7. Three handouts were provided: The December 2011 statement of SMPOA's account with Stifel Nicolaus. A letter from David Lazarus, CPA, *Report on Agreed Upon Procedures for the Period July 1, 2008 Through June 30, 2010*. A list, *What Your Board Has Done in a Month*.
8. Roit said that the SMPOA investments have been reviewed by an outside financial consultant and are judged to be appropriately conservative. The two-year review performed by Lazarus, cited in 7 above, identified some variances and made recommendations which the current board will institute. Tartavull said the financial files are requiring substantial organizing but they will soon be ready for professional review.

A Motion was made by Belcher and seconded by Rickley to hire the forensic accounting firm of Cohen, Miskei & Mowrey to prepare the financial records for a formal audit. Their fees are capped at \$2500. The Motion was unanimously approved.

An owner asked whether a full audit, which is substantially more expensive than a financial review, is required. Roit responded that the By-Laws currently require a formal audit but that we should consider altering them. Another owner asked whether current expenses are covered by dues and advertising income or are drawing on investment earnings too. At this time, expenses

are covered by non-investment income. An owner inquired whether financial records are available for review. Colleen Brydon noted that the annual financial statement is provided at the end of each fiscal year in the *Sunset Mesa-ge* and that the Treasurer provides quarterly reports at Board meetings. In the future, once records are organized, more will be available on the web site.

9. The need for a dedicated phone line for the AC, which costs about \$850 a year, was questioned. Rickley said that the annual budget allocated less than half that amount and recommended the line be cancelled immediately. Harding said that initial contacts with the AC are made either by phone or by email. Subsequent communications are made via AC members' personal phones. Roit asked whether complaints should be in writing because a paper trail would help with CC&R enforcement. An owner suggested that the value of the phone might be measured by per call cost. It is estimated that in January the average call cost about \$11. Harding recommended that this topic be addressed at the next AC meeting, to include concerns about residents without email access.

10. Belcher said that the new walk-in entry cards for the Getty Villa will be distributed this month. The current ones expire at the end of February. As announced earlier, this year paid membership will not be a condition for receipt. To obtain a card, please mail or drop off a stamped, self-addressed envelope to Barbara Belcher, 3720 Oceanhill Way.

11. Roit mentioned that the board has received several suggestions for community improvement. Harding has provided information about a "buddy system" to assist neighbors who need a helping hand. Lisa Doctor volunteered to organize a bag dispensing system to encourage dog walkers to pick up the waste.

12. A Motion was made by Belcher and seconded by Rickley to establish a committee for the re-vote in tract 26458. The Motion passed unanimously. Roit appointed Paul Rudzinski as chair.

13. Roit said that the board was considering changing the format of the annual meeting and asked for ideas.

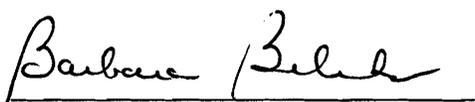
14. Rickley described the new ad system for the *Sunset Mesa-ge* and new printing arrangements. The delivery schedule has been changed to immediately after, rather than before, the monthly board meeting.

15. The meeting was adjourned at 8:10 p.m.

16. The minutes were prepared by Barbara Belcher.

Attachments:

December, 2011 statement of SMPOA's account with Stifel Nicolaus (not posted on web)
David Lazarus, CPA, *Report on Agreed Upon Procedures for the Period July 1, 2008
Through June 30, 2010*
What Your Board Has Done in a Month


Barbara Belcher