

**Jefferson Square Homeowners Association  
c/o Archway, The Management Company  
P.O. Box 320819  
Los Gatos, California 95032-0113**

**1. Official Communications.** Civil Code Section 5310(a)(1).

The name and address of the person designated to receive official communications to the Association, pursuant to Section 4035 is: Coleen Colla, Archway, The Management Company, P.O. Box 320819, Los Gatos, California 95032-0113.

**2. Specified Addresses.** Civil Code Section 5310(a)(2).

Upon receipt of a written request by an owner identifying a secondary address for the purpose of assessment collection notices, the Association shall send additional copies of the following documents to that secondary address: (1) those included in the Annual Budget Report; (2) the documents to be delivered to an owner pertaining to delinquent assessments in Civil Code Section 5300 and following; (3) the documents to be delivered to an owner pertaining to the foreclosure of a lien in Civil Code Section 5650 and following. The written request must be made by first-class mail, postage prepaid, registered or certified mail or overnight delivery by an express mail service. The Association does not consent to service by email, facsimile or other electronic means, nor by personal service. The owner may change his/her secondary address at any time, provided that the Association is required to send notices to the indicated secondary address only from the time the Association receives the request.

Pursuant to Civil Code Section 5220, a member of the Association may opt out of the sharing of that member's name, property address, mailing address, email and telephone information by notifying the Association in writing that the member prefers to be contacted via the alternative process described in subdivision (c) of Section 8330 of the Corporations Code. This opt out shall remain in effect until changed by the member.

**3. Posting of General Notices.** Civil Code Section 5310(a)(3).

The location, if any, designated for posting of a general notice, pursuant to paragraph (3) of subdivision (a) of Section 4045 is as follows: Meeting Notices/Agendas are posted at the community bulletin boards.

**4. Receipt of General Notices.** Civil Code Section 5310(a)(4).

The Association may give certain legal notices to the members through "general delivery" in the newsletter, in billing statements, by posting and in other ways. You have the right to request that such notices be sent to you by the Association by "individual delivery", which includes first-class mail, postage prepaid registered or certified mail or overnight delivery by an express mail

service. Such a request should be sent in writing by first-class mail, postage prepaid to Archway, The Management Company at the address provided.

**5. Meeting Minutes.** Civil Code Section 5310(a)(5).

Please be advised that members of the Association have a right to obtain copies of the minutes of meetings of the Board of Directors. Those minutes may be secured by contacting the Association's property management representatives, at the address provided, through a written request and payment of the reasonable costs of copying. Minutes proposed for adoption that are marked to indicate draft status are also available to members under the same procedure, within thirty (30) days of the meeting. Minutes of executive session meetings of the Board of Directors are not available for distribution.

**6. Notice of Assessment Collection Rights.** Civil Code Section 5310(a)(6).

Please see Exhibit "A-3", as updated by A.S.A.P. Collection Service regarding Notice of Assessments and Foreclosure procedures.

When an owner makes a payment, he or she may request a receipt, and the Association is required to provide it. On the receipt, the Association must indicate the date of payment and the person who received it. The Association must inform owners of a mailing address for overnight payments. (Section 5655 of the Civil Code). The address for overnight payments is:

Jefferson Square Homeowners Association  
c/o Archway, The Management Company  
251 E. Hacienda Avenue, Suite B  
Campbell, CA 95008

An owner may, but is not obligated to, pay under protest any disputed charge or sum levied by the Association, including, but not limited to, an assessment, fine, penalty, late fee, collection cost or monetary penalty imposed as a disciplinary measure, and by so doing, specifically reserve the right to contest the disputed charge or sum in court or otherwise.

**7. Statement of Policies and Practices in Enforcing Lien Rights.**  
Civil Code Section 5310(a)(7).

A statement describing the Association's policies and practices in enforcing lien rights or other legal remedies for default in the payment of assessments is attached as Exhibit "A-1".

**8. Association Discipline Policy.** Civil Code Section 5310(a)(8).

A statement describing the Association's discipline policy, including any schedule of penalties for violations of the governing documents pursuant to Section 5850 is attached as Exhibit "B" and entitled Violation Enforcement Procedure.

**9. Dispute Resolution Procedures.** Civil Code Section 5310(a)(9).

A summary of dispute resolution procedures, pursuant to Sections 5920 and 5965 are included with the Assessment Collection policy attached as Exhibit "A-2".

**10. Physical Changes to Property.** Civil Code Section 5310(a)(10).

A summary of any requirements for Association approval of a physical change to property, pursuant to Section 4765, is as follows:

Pursuant to Article VII, Section 7.9 of Jefferson Square HOA Enabling Declaration Establishing a Plan of Condominium Ownership, prior written approval of a physical change to the property is required.

A copy of the procedure used to review and approve or disapprove a proposed change is attached hereto as Exhibit "C".

**11. Overnight Payment of Assessments.** Civil Code Section 5310(a)(11).

The mailing address for overnight payment of assessments, pursuant to Section 5655, is: Jefferson Square Homeowners Association, c/o Archway, The Management Company, 251 E. Hacienda Avenue, Suite B, Campbell, CA 95008.

**12. Other Disclosures.** Civil Code Section 5310.

The Association is not a party to any litigation at this time.

**13. Fair Housing Policy.** Government Code Section 12956.1

It is the policy of the Association to not discriminate in the exercise of its powers or duties based on age, race, color, religion, sex, gender, gender identity, gender expression, sexual orientation, familial status, marital status, disability, medical condition, genetic information, national origin, source of income, ancestry or any other factors which are illegal under California or federal law.

**14. Right to Receive Annual Report.** Corporations Code Section 8321.

Pursuant to Corporations Code Section 8321, you are hereby notified that you have the right to receive a copy of the annual report upon written request. The report is completed no later than one hundred twenty (120) days after the close of the corporation's fiscal year and contains detail concerning the balance sheet at the end of the fiscal year, the income statement and statement of changes and financial position for the fiscal year, a statement of the place where the names and addresses of the current members are located (Archway, The Management Company), together with an accompanying report by the Association's independent accountant if the gross annual income exceeds Seventy-Five Thousand Dollars (\$75,000).

### **15. Security**

Please be advised that Jefferson Square Homeowners Association does not provide security services on the common area. Owners, their Tenants and Guests should exercise reasonable precautions to ensure the safety of their property and persons. Neither the Association Volunteers nor the Association's Management personnel are trained in law enforcement. In the event of an emergency, please call 911.

### **16. Emergency Common Area Conditions**

In the event of an emergency affecting the common area such as a roof or pipe leak, please contact the Management Company at 408-866-4537.

### **17. Additional Association Rules**

Included are the existing Association rules for information and review. Please see Exhibit "D" which includes the Pool Rules, Reserved Parking Space Policy, Rental Policy and Parking Policy for the Association.

## Jefferson Square Homeowners Association

### ASSESSMENT COLLECTION POLICY

#### Notice to Members:

This document sets forth the Association's policy regarding the collection of assessments pursuant to the Association's Governing Documents and California Civil Code Sections 5600 - 5740.

#### 1.0 Assessments in General.

The Association has a duty to levy regular and special assessments sufficient to perform its obligations under the governing documents and California law. Regular assessments are determined at least once annually and are payable during the year in Monthly installments or at such other intervals as the Board of Directors shall designate. The Association shall distribute the written notice described in Civil Code Section 5730 to each member of the Association during the 60-day period immediately preceding the beginning of the Association's fiscal year.

#### 2.0 Obligation to Pay Assessments.

A regular or special assessment and any late charges, reasonable fees and costs of collection, reasonable attorney's fees, if any, and interest, if any, as determined in accordance with Civil Code Section 5650, shall be a debt of the owner of the separate interest at the time the assessment or other sums are levied. Each assessment or charge is also a lien on the owner's property from and after the time the Association causes a Notice of Delinquent Assessment (Lien) to be recorded with the County Recorder's Office of the County in which the property is located.

#### 3.0 Monetary Charge for Reimbursement to Association for Damage to Common Areas and Facilities.

A monetary charge imposed by the Association as a means of reimbursing the Association for costs incurred by the Association in the repair of damage to common areas and facilities for which the member or the member's guests or tenants were responsible may become a lien against the member's separate interest enforceable by the sale of the interest under Sections 2924, 2924b, and 2924c, provided the authority to impose a lien is set forth in the governing documents.

#### 4.0 Monetary Penalty Imposed by the Association as a Disciplinary Measure.

A monetary penalty imposed by the Association as a disciplinary measure for failure of a member to comply with the governing instruments, except for the late payments, may not be characterized nor treated in the governing instruments as an assessment that may become a lien against the member's subdivision separate interest enforceable by the sale of the interest under Sections 2924, 2924b, and 2924c.

#### 5.0 Notice of Assessments.

Not less than 30 days nor more than 60 days before any increase in the regular assessment or any special assessment becomes due, the Association will give the owners notice of the assessment. Notice will be sent by first-class mail to addresses on the membership register as of the date of notice. The Association can deliver notice of change of assessments via e-mail, if the owner has agreed in writing to accept Association documents via e-mail. The Board of Directors may elect from time to time to provide additional periodic statements of assessments and charges, but lack of such statements does not relieve the owners of the obligation to pay assessments.

#### 6.0 Designation of Agent.

The Board of Directors may designate an agent or agents to collect assessment payments and administer this Assessment Collection Policy. Such designated agent may be an officer of the Association, manager, collection service, banking institution, law firm, attorney or other appropriate agent. A.S.A.P. Collection Services at 331 Piercy Road, San Jose, CA 95138 (408) 363-9600 is one of the designated agents authorized to administer this policy.

#### 7.0 Association Cannot Voluntarily Assign or Pledge the Association's Right to Collect.

An Association may not voluntarily assign or pledge the Association's right to collect payments or assessments, or to enforce or foreclose a lien to a third party, except when the assignment or pledge is made to a financial institution or lender chartered or licensed under federal or state law, when acting within the scope of that charter or license, as security for a loan obtained by the Association; however, the foregoing provision may not restrict the right or ability of an Association to assign any unpaid obligations of a former member to a third party for purposes of collection. After the expiration of 30 days following the recording of a lien per the Covenants, Conditions and Restrictions (CC&R's), the lien may be enforced in any manner permitted by law, including sale by the court, sale by the trustee designated in the notice of delinquent assessment, or sale by a trustee substituted pursuant to Section 2934a. Any sale by the trustee shall be conducted in accordance with Sections 2924, 2924b, and 2924c applicable to the exercise of powers of sale in mortgages and deeds of trusts. The fees of a trustee may not exceed the amounts prescribed in Sections 2924c and 2924d.

#### 8.0 Due Date/ Delinquency Date of Assessments.

Unless otherwise specified by the Board or the governing documents, an assessment is due on the first of each month. An assessment, or any portion thereof, is delinquent if it has not been received as directed by the Board or its designated agent 15 days after it is due.

## Exhibit "A-1"

### 9.0 Late Charges and Interest on Delinquent Amounts.

Delinquent accounts become subject to the following additional charges as contained in Civil Code section 5650 and the governing documents: costs of collection including reasonable attorney's fees; a late charge of \$10 or 10% of the delinquent assessment, whichever is greater and interest on all sums (including the delinquent assessment, collection fees and costs, and reasonable attorney's fees) at an annual interest rate not to exceed 12.00% commencing 30 days after the assessment becomes due; whether or not charged prior to collection. If it is determined the assessment was paid on time to the association the owner will not be liable to pay the charges, interest, and costs of collection.

### 10.0 Collection Charges.

Any costs and fees \*incurred in setting up, processing and collecting delinquent amounts, including, without limitation, late charges, statement charges, monthly administrative charges, charges for preparation of delinquency notices or forward to collection charges, or request for a payment plan as well as the recordation of a lien or initiation of foreclosure proceedings, postage, copies, envelopes, labels, filing and recordation charges, delivery charges, and attorney's fees and costs, title searches, bankruptcy searches, pulling copies of grant deeds or property ownership history, address and or phone number verification searches, in addition to any other charges necessary to collect a delinquent assessment shall become an additional charge against the owner and the owner's property and shall be subject to collection action pursuant to this Policy.

\*Incurred means as the services are provided, they are added to the owner's account.

### 11.0 Application of Payments.

If partial payments are accepted, they must be applied pursuant to Civil Code 5655: first to assessments owed, then when those are paid in full, payments shall be applied to the fees and costs of collection, then attorney's fees, then late charges, or interest. Owners may request a receipt and the association shall provide it. The receipt shall indicate the date of payments and the person who received it. Payments may be required to be made in certified funds, i.e. cashier's check or money order.

### 12.0 Initial Delinquency Notice.

Once an assessment, or any portion thereof, has become delinquent, the owner may receive an initial delinquency notice stating all amounts past due and any known collection charges imposed as of the date of the notice, which may be in the form of a letter, monthly statement, past due notice, or any other form of writing or notice from the Association or its designated agent.

### 13.0 Notice of Intent to Record a Lien.

If an assessment account remains unpaid for 45 days after it is due, the Association or its designated agent shall, at least 30 days prior to recording a lien upon the separate interest of the owner of record, notify the owner in writing by certified mail all of the notice requirements pursuant to Civil Code Section 5660. Prior to recording a lien for delinquent assessments, the owner has the right to request to participate in dispute resolution pursuant to the Association's "Meet and Confer" program required in Civil Code Sections 5900 - 5920. A copy of the "Meet and Confer" Offer and Procedure is attached to this collection policy as an ADDENDUM titled "ADDENDUM TO ASSESSMENT COLLECTION POLICY: OFFER FOR INTERNAL DISPUTE RESOLUTION (IDR), MEET AND CONFER, AND ADR."

### 14.0 Recording of Lien.

At the expiration of 30 days following the Notice of Intent to Record a Lien, the Association or its designated agent will without further notice to the owner, record a lien against the owner's property. The notice of delinquent assessment shall be mailed in the manner set forth in Section 2924b, to all record owners of the owner's interest in the common interest development no later than 10 calendar days after recordation.

### 15.0 Association Lien Subordination.

A lien created pursuant to 14.0 Recording of Lien shall be prior to all other liens recorded subsequent to the notice of assessment, except that the declaration may provide for the subordination thereof to any other liens and encumbrances.

### 16.0 Recording of Release of Lien.

A release of lien will not be recorded until the entire balance of the owner's account is paid in full. All charges incurred in recording a Release of Lien, including reasonable attorney or agent fees and costs, will be charged to the account. Within 21 days of payment in full the Association shall record or cause to be recorded in the office of the county recorder a release of lien or notice of rescission and provide the owner of the separate interest a copy of the recorded release of lien.

### 17.0 Lien Recorded In Error.

If it is determined that a lien previously recorded against a separate interest was recorded in error, the party who recorded the lien shall, within 21 calendar days, record or cause to be recorded in the office of the county recorder, a release of lien or notice of rescission and provide the owner of the separate interest a copy of the recorded document with a declaration stating that the recording was in error.

## Exhibit "A-1"

### 18.0 Foreclosure.

Judicial or Non Judicial foreclosure proceedings may not begin until the amount of the delinquent assessments secured by the lien, exclusive of any accelerated assessments, late charges, fees and costs of collection, attorney's fees, or interest, equals or exceeds one thousand eight hundred dollars (\$1,800) or the assessments are more than 12 months delinquent. Prior to initiating a foreclosure for delinquent assessments, the association will offer the owner and, if so requested by the owner, shall participate in dispute resolution pursuant to the association's "Meet and Confer" program required in Civil Code Sections 5900 - 5920 or alternative dispute resolution with a neutral third party pursuant to Civil Code Sections 5925 - 5965. The decision to pursue dispute resolution or a particular type of alternative dispute resolution shall be the choice of the owner, except that binding arbitration shall not be available if the association intends to initiate a judicial foreclosure. A copy of the "Meet and Confer" Offer and Procedure is attached to this collection policy as an ADDENDUM titled "ADDENDUM TO ASSESSMENT COLLECTION POLICY: OFFER FOR INTERNAL DISPUTE RESOLUTION (IDR), MEET AND CONFER, AND ADR."

### 19.0 Deed in Lieu of Foreclosure.

Nothing in this section or in subdivision (a) of Section 726 of the Code of Civil Procedure prohibits actions against the owner of a separate interest to recover sums for which a lien is created or prohibits an association from taking a deed in lieu of foreclosure.

### 20.0 Payment Plan Agreement.

An owner of a separate interest may submit a written request to meet with the Board of Directors, in executive session, to discuss a payment plan agreement to allow the owner to make periodic partial payments on the entire balance of the assessment account in addition to assessments that will accrue during the payment plan period. The Association has no obligation to enter into such a payment agreement. If the Association accepts an agreement with the owner it shall be reasonable, as determined by the Board in its sole discretion, and in accordance with the standards for payment plans, if any exist. The payment agreement shall be in writing and will include a provision that additional late fees shall not accrue during the payment plan period if the owner is in compliance with the terms of the payment plan. Interest and administrative charges will accrue until the account is paid in full. The agreement will also include a provision that in the event of a default on the payment plan, the Association may resume its efforts to collect the delinquent assessments from the time prior to entering into the payment plan. A lien will be recorded against the property to secure debt for the Association. The owner will be charged for the additional collection fees and costs to administer the payment plan. Payment plan requests outside of the Association's payment plan standards require Board approval. The board may designate a committee of one or more members to meet with an owner.

### 21.0 Validation of Debt.

Unless an owner disputes the validity of the debt, or any portion thereof, within thirty (30) days after receipt of the notice pursuant to 13.0 Notice of Intent to Record a Lien, the debt will be assumed to be valid. Validation of the debt will be provided in writing, at no additional cost to the owner and will include 1) an itemized statement of the charges owed by the owner, including items on the statement which indicate the amount of any delinquent assessments, the fees and reasonable costs of collection, reasonable attorney's fees, any late charges, and interest, if any 2) the Association's name and 3) the Association's mailing address.

### 22.0 Disputes.

Federal law states that initial dispute can be either oral or in writing. State law requires disputes to be in writing. It is therefore recommended that all disputes be put in writing to avoid misunderstanding.

### 23.0 Internal Dispute Resolution (IDR) Procedure, Meet And Confer.

An owner has the right to dispute the assessment debt by submitting a written request for dispute resolution to the Association pursuant to the Association's "Meet and Confer" program required in Civil Code Sections 5900 - 5920. A copy of the "Meet and Confer" Offer and Procedure is attached to this collection policy and serves as an official offer to the owner. See attached ADDENDUM titled "ADDENDUM TO ASSESSMENT COLLECTION POLICY: OFFER FOR INTERNAL DISPUTE RESOLUTION (IDR), MEET AND CONFER, AND ADR."

### 24.0 ADR - Alternative Dispute Resolution.

An owner has the right to request alternative dispute resolution with a neutral third party pursuant to Civil Code Sections 5925 - 5965 before the Association may initiate foreclosure against the owner's separate interest, except that binding arbitration shall not be available if the Association intends to initiate judicial foreclosure. A summary of the ADR - Alternative Dispute Resolution Civil Code 5965 is attached as an ADDENDUM to this policy titled "ADDENDUM TO ASSESSMENT COLLECTION POLICY: OFFER FOR INTERNAL DISPUTE RESOLUTION (IDR), MEET AND CONFER, AND ADR."

### 25.0 Owner has Right to Request Meeting with Board.

An owner has the right to request a meeting with the board. The board shall meet with the owner in executive session within 45 days of the postmark of the request, if the request is mailed within 15 days of the date of the postmark of the notice 13.0 Notice of Intent to Record a Lien, unless there is no regularly scheduled board meeting within that period, in which case the board may designate a committee of one or more members to meet with the owner.

## Exhibit "A-1"

### **26.0 Owner has Right to Review Association Records.**

Owner has the right to review the Association records, pursuant to Civil Code Section 5205. Owner should contact the Association's managing agent for the policies and procedures set forth to inspect the records.

### **27.0 Dispute Resolution, Meet And Confer Procedure Civil Code Section § 5920. See attached Addendum titled "ADDENDUM TO ASSESSMENT COLLECTION POLICY: OFFER FOR INTERNAL DISPUTE RESOLUTION (IDR), MEET AND CONFER, AND ADR."**

### **28.0 Other Remedies.**

The Association reserves the right to avail itself of any other remedy permitted by law and the Association's governing documents to collect assessments and related costs and charges, including but not limited to bringing an action in Small Claims or Superior Court. Such remedies may be taken in addition to, or in lieu of, any action already taken, and commencement of one remedy shall not prevent the Association from electing at a later date to pursue another remedy.

### **29.0 Address of the Association and the Board of Directors.**

For the purpose of OVERNIGHT PAYMENTS owners are directed to use the same mailing address that is used for mailing routine assessment payments, unless otherwise directed by the designated agent. For the purpose of CORRESPONDENCE owners are directed to use the mailing addresses of the designated agent, unless otherwise directed. These addresses are subject to change after the distribution of this policy. Notification of a change will be in writing to the membership through normal day-to-day correspondence from the association or its designated managing agent. It is the owners' responsibility to note any changes for their records.

### **30.0 Returned Payments.**

Payments returned for insufficient funds, closed account, stop payment or for any other reason will be charged back to the owners account in addition to any administrative fee, bank fee or collection fees and costs incurred to handle the returned payment. Personal checks will not be accepted if two payments are "Returned" by the bank for any reason.

### **31.0 Sufficiency of Notice.**

Except for notice that under California law must be sent by certified mail, notice is sufficient if either hand delivered or mailed first class, postage prepaid, to the owner at the address on the membership register at the time of notice. Notice is presumed received (3) three days after notice was mailed.

### **32.0 Owner's Change of Address.**

Owner is required to notify the Association of any change in the owner's name or mailing address. Upon receipt of a written request by an owner identifying a SECONDARY ADDRESS for purposes of collection notices, the Association shall send additional copies of any notices required by this section to the secondary address provided. The owner's request shall be in writing and shall be mailed to the Association in a manner that shall indicate the Association has received it. The owner may identify or change a secondary address at any time, provided that, if a secondary address is identified or changed during the collection process, the Association shall only be required to send notices to the indicated secondary address from the point the Association receives the request.

### **33.0 Void Provisions.**

If any provision of this Policy is determined to be null and void, all other provisions of the Policy shall remain in full force and effect.



**ADDENDUM TO ASSESSMENT COLLECTION POLICY: OFFER FOR  
INTERNAL DISPUTE RESOLUTION (IDR), MEET AND CONFER, AND ADR**

**DISPUTE RESOLUTION, MEET AND CONFER PROCEDURE CC §5920**

**WHO MAY START:** This procedure may be invoked by the Association or an Owner. Either party may make a written request to meet and confer to resolve a dispute. The Board shall designate a member of the Board to meet and confer.

**WHO PARTICIPATES:** When a written request for Dispute Resolution is received from an owner, the Association shall participate. If the Association makes a written request for an owner to participate, the owner may elect not to participate.

**NON-PARTICIPATION BY THE OWNER:** If the owner declines to participate, the Association may begin Alternative Dispute Resolution, pursuant to Civil Code § 5930.

**IF THE OWNER PARTICIPATES, THEN THE MEET AND CONFER TAKES PLACE:**

- A. The Association will act on a request by the owner within 45 days of receipt of the written request to meet.
- B. The meeting shall be established in good faith, take place promptly at a mutually convenient date, time and location. Each party shall explain their position and shall confer in good faith to resolve the dispute. If an attorney or other person will be present to assist the owner, the Association must be notified in writing 10 days prior to the established date. If notice is not given 10 days prior, the Association can request a continuance. Each party to pay for their own costs.
- C. An agreement resolving the dispute by the parties shall be made in writing and dated and signed by the parties, including the Board designee on behalf of the Association.
- D. A written decision shall be made by the designated Board Member and delivered or received by the owner within ten (10) days after the meet and confer.
- E. If the owner participates, but the dispute is resolved other than by agreement of the owner, the owner shall have the right to appeal to the Association's Board of Directors.

**APPEAL:**

- A. If the owner disputes the resolution, an appeal must be taken to the Board of Directors within thirty (30) days of the date of the decision by the designated Board member.
- B. If there is an appeal, the Board must hear the Appeal at its next regularly scheduled meeting in executive session, then issue a written decision within ten (10) days.

**NO CONFLICT:**

- A. The resolution must not be in conflict with the law or the governing documents.
- B. The agreement must be consistent with the authority granted to the Board of Directors or the Board must ratify the agreement.
- C. The written agreement, which is dated and signed by the parties, will bind both parties and be judicially enforceable.

**NO FEE:** No fee will be charged to the owner during this process.

**EXCEPTIONS:** Reasonable exceptions may be made to the time deadlines, in the discretion of the Board. Any exceptions will be made on a case-by-case basis.

**TIME:** The maximum time to act on a written request by the owner is forty-five (45) days. Initiation to completion of the dispute will take no more than one hundred eighty (180) days, unless extended by both parties.

**ADR - ALTERNATIVE DISPUTE RESOLUTION CC §5925 - 5965 [SUMMARY] As of January 1, 2006**

- 1. If an association, owner or member of an association seeks either:
  - A. Declaratory or injunctive relief; or
  - B. Declaratory or injunctive relief and a claim for monetary damages not in excess of the jurisdictional limits of small claims court (as of January 1, 2012: \$10,000 for individuals or \$5,000 for homeowner association), other than for association assessments, concerning the enforcement of the governing documents; the parties shall submit their dispute to Alternative Dispute Resolution (ADR), such as mediation or arbitration. A Request for Resolution ("Request") begins the process and it shall include:
    - 1) A description of the dispute;
    - 2) A request for ADR
    - 3) Notice that the party receiving the Request is required to respond within thirty (30) days or the Request will be deemed rejected.
  - C. This does not apply to small claims action.
  - D. Except as required by law, this does not apply to an assessment dispute.
- 2. A party on whom a Request for Resolution is served has 30 days following service to accept or reject the request. If a party does not accept the request within that period, the request is deemed rejected by the party.
- 3. If the Request is accepted, ADR shall be completed within ninety (90) days from the date of acceptance, or it can be extended by a written stipulation signed by both parties.

"FAILURE OF A MEMBER OF THE ASSOCIATION TO COMPLY WITH THE ALTERNATIVE DISPUTE RESOLUTION REQUIREMENTS OF SECTION 5930 OF THE CIVIL CODE MAY RESULT IN THE LOSS OF THE MEMBER'S RIGHT TO SUE THE ASSOCIATION OR ANOTHER MEMBER OF THE ASSOCIATION REGARDING ENFORCEMENT OF THE GOVERNING DOCUMENTS OR THE APPLICABLE LAW."

Unless otherwise stated by the Association, this document serves as the Association's OFFER FOR INTERNAL DISPUTE RESOLUTION (IDR), MEET AND CONFER, AND ADR and it serves as its procedure for the same.

## **Required Notice Regarding Assessments And Foreclosure**

### **\*Civil Code §5730 – Effective January 1, 2006**

#### **NOTICE ASSESSMENTS AND FORECLOSURE**

This notice outlines some of the rights and responsibilities of owners of property in common interest developments and the associations that manage them. Please refer to the sections of the Civil Code indicated for further information. A portion of the information in this notice applies only to liens recorded on or after January 1, 2003. You may wish to consult a lawyer if you dispute an assessment.

#### **ASSESSMENTS AND FORECLOSURE**

Assessments become delinquent 15 days after they are due, unless the governing documents provide for a longer time. The failure to pay association assessments may result in the loss of an owner's property through foreclosure. Foreclosure may occur either as a result of a court action, known as judicial foreclosure, or without court action, often referred to as nonjudicial foreclosure. For liens recorded on and after January 1, 2006, an association may not use judicial or nonjudicial foreclosure to enforce that lien if the amount of the delinquent assessments or dues, exclusive of any accelerated assessments, late charges, fees, attorney's fees, interest, and costs of collection, is less than one thousand eight hundred dollars (\$1,800). For delinquent assessments or dues in excess of one thousand eight hundred dollars (\$1,800) or more than 12 months delinquent, an association may use judicial or nonjudicial foreclosure subject to the conditions set forth in Article 3 (commencing with Section 5700 - 5740) of Chapter 8 of Part 5 of Division 4 of the Civil Code. When using judicial or nonjudicial foreclosure, the association records a lien on the owner's property. The owner's property may be sold to satisfy the lien if the amounts secured by the lien are not paid. (Sections 5700 through 5740 of the Civil Code, inclusive)

In a judicial or nonjudicial foreclosure, the association may recover assessments, reasonable costs of collection, reasonable attorney's fees, late charges, and interest. The association may not use nonjudicial foreclosure to collect fines or penalties, except for costs to repair common area damaged by a member or a member's guests, if the governing documents provide for this. (Section 5725 of the Civil Code)

The association must comply with the requirements of Civil Code Sections 5650 – 5740 when collecting delinquent assessments. If the association fails to follow these requirements, it may not record a lien on the owner's property until it has satisfied those requirements. Any additional costs that result from satisfying the requirements are the responsibility of the association. (Section 5675 of the Civil Code)

At least 30 days prior to recording a lien on an owner's separate interest, the association must provide the owner of record with certain documents by certified mail, including a description of its collection and lien enforcement procedures and the method of calculating the amount. It must also provide an itemized statement of the charges owed by the owner. An owner has a right to review the association's records to verify the debt. (Section 5660 of the Civil Code)

## **Required Notice Regarding Assessments And Foreclosure**

### **\*Civil Code §5730 – Effective January 1, 2006**

If a lien is recorded against an owner's property in error, the person who recorded the lien is required to record a lien release within 21 days, and to provide an owner certain documents in this regard. (Section 5685 of the Civil Code)

The collection practices of the association may be governed by state and federal laws regarding fair debt collection. Penalties can be imposed for debt collection practices that violate these laws.

#### **PAYMENTS**

When an owner makes a payment, the owner may request a receipt, and the association is required to provide it. On the receipt, the association must indicate the date of payment and the person who received it. The association must inform owners of a mailing address for overnight payments. (Section 5655 of the Civil Code)

An owner may, but is not obligated to, pay under protest any disputed charge or sum levied by the association, including, but not limited to, an assessment, fine, penalty, late fee, collection cost, or monetary penalty imposed as a disciplinary measure, and by so doing, specifically reserve the right to contest the disputed charge or sum in court or otherwise.

An owner may dispute an assessment debt by submitting a written request for dispute resolution to the association as set forth Civil Code Section 5900 – 5965. In addition, an association may not initiate a foreclosure without participating in alternative dispute resolution with a neutral third party as set forth Civil Code Sections 5935 - 5965, if so requested by the owner. Binding arbitration shall not be available if the association intends to initiate a judicial foreclosure.

An owner is not liable for charges, interest, and costs of collection, if it is established that the assessment was paid properly on time. (Section 5685 of the Civil Code)

#### **MEETINGS AND PAYMENT PLANS**

An owner of a separate interest that is not a time-share interest may request the association to consider a payment plan to satisfy a delinquent assessment. The association must inform owners of the standards for payment plans, if any exists. (Section 5665 of the Civil Code)

The board must meet with an owner who makes a proper written request for a meeting to discuss a payment plan when the owner has received a notice of a delinquent assessment. These payment plans must conform with the payment plan standards of the association, if they exist. (Section 5665 of the Civil Code)

(b) An association distributing the notice required by this section to an owner of an interest that is described in Section 11212 of the Business and Professions Code that is not otherwise exempt from this section pursuant to subdivision (a) of Section 11211.7 of the Business and Professions Code may delete from the notice described in subdivision (a) the portion regarding meetings and payment plans.

Exhibit "B"

**JEFFERSON SQUARE HOMEOWNERS ASSOCIATION  
RESOLUTION  
VIOLATION ENFORCEMENT PROCEDURE**

**Adopted by the Board: July 6, 2010  
Effective Date: July 6, 2010**

WHEREAS, Section 5.2F, of the Jefferson Square Homeowners Association ENABLING DECLARATION states, "The Association shall have the power to levy and collect assessments in accordance with the provisions of Article IV hereof. The Association may impose fines or take disciplinary action against any Owner for failure to pay assessments or for violation of any provision of the condominium governing documents. Penalties may include but are not limited to: fines, temporary suspension of voting rights, rights to use the recreational facilities or appropriate discipline, provided the member is given notice and a hearing as provided in the By-Laws and California Corporations Code 7341 before the imposition of any fine or disciplinary action. The Board shall have the power to adopt a schedule of reasonable fines and penalties for violations of the terms of this Declaration, and for violations of any Rules adopted pursuant to Section 5.2D. The penalties prescribed may include suspension of all rights and privileges of membership; provided, however, that suspension for failure to pay assessments shall be for a maximum period of thirty (30) days, renewable by the Board for an additional (30) day period or periods until paid; and provided further that suspension for infraction of Rules or violation of this Declaration, other than failure to pay assessments, shall be limited to a maximum period of thirty (30) days per infraction or violation and shall be imposed only after a hearing before the Board. The Board may extend the period for an additional period or periods in the case of continuing infraction or violation, and no hearing need be held for such extension. Written copies of Rules and the schedules penalties shall be furnished to Owners. The Board shall assess fines and penalties and shall enforce such assessments as appropriate under applicable law.

The Association shall have the authority to enforce this Declaration as provided in Section 9.1 hereof.

WHEREAS, Article IX, Section 9.1 Enforcement: The Association, or any Owner shall have the right to enforce, pursuant to this Declaration, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration, or decisions made by the Association pursuant to the provisions of this Declaration and in such action shall be entitled to recover reasonable Attorney's fees. Failure by the Association or by any Owner to enforce any covenant or restriction contained herein shall in no event be deemed a waiver of the rights to so do thereafter.

THEREFORE BE IT RESOLVED that the Board of Directors (hereinafter the "Board") of the Jefferson Square Homeowners Association, as governed by the By-Laws and CC&Rs, has adopted the following Violation Enforcement Procedure:

## STANDARDS, DEFINITIONS, INSTRUCTIONS & GUIDELINES:

### Definition of an infraction

An infraction of an Association Rule or Regulation may be either an act of failing to do what is required or doing what is not permitted. "Owners are responsible for infractions by their tenants and guests."

### Reporting an infraction

Infractions are reported by contacting the Management Company. The reporter must supply all available information regarding the evidence of the infraction (date/time, location, photos, documentation, witnesses) if available.

### Warnings

Warnings are only provided once to violators for each type of infraction; warnings are provided at the discretion of the Board of Directors.

### Responding to an infraction

The Management Company will notify the Owner, in writing, of the nature of the infraction, giving all information necessary to identify the infraction and the violator. The Owner will have thirty (30) business days from receipt of the notice to rectify the infraction.

The Owner will have thirty (30) days to respond, in writing, to the Management Company regarding the violation. The response must include evidence of correction if the violation was "fixed". Otherwise, the response must either agree to pay the associated penalty or request a hearing with the Board of Directors to dispute the allegation. Failure to respond, in writing, within thirty (30) days is seen as an agreement to pay the penalty.

### Repeat offenders

If an Owner has received an infraction within the previous 12 months, the Association will escalate the fine schedule by a factor of 2 for each additional infraction of a similar nature. For example, if an Owner is levied a fine of \$100 in February for a violation, and again has the same violation in August, the fine assessed will increase to \$200 (\$100x2). If this same Owner again received the same violation in September, the fine assessed will be \$400 (\$200x2). If however, the Owner has a different violation than before, the factor is not applied; the standard penalty in this case \$150, is applied. Penalties are capped at \$500/occurrence.

### Additional Costs

The Owner may incur additional costs if an infraction results in damage to the common area of the community. Assessment of such damage will be at the discretion of the Board of Directors.

## Exhibit "B"

### Procedure

- Violation is reported to the Management Company
- Management notifies the Board of Directors, and determines if it is the first infraction, if so determines whether the infraction merits a warning or immediate penalty and issues appropriate written notice. If a repeat violator, assigns appropriate penalty value in the written notice.
- Owner responds to the written notice in one of three ways:
  1. Evidence that the infraction was "fixed"
  2. Acknowledgement of the violation and associated fine
  3. Request for a hearing with the Board of Directors to dispute the allegation
- If necessary, the hearing with the Board of Directors is scheduled in accordance with Section 5.2F of the Association's governing documents.

### Penalties

- Notification Penalty: The notification penalty is \$100. This penalty applies when an Owner fails to notify the Management Company of an activity requiring notification as set forth in Jefferson Square's governing documents. This penalty applies, for example, to Owners who lease their unit and fail to notify and provide to the Management Company current tenant information/rental agreement.
- Security Penalty: The security penalty is \$150. This penalty applies, for example, failing to close and lock the pool gate when leaving the pool. The Association could be sued if any liability occurs because the gate to the pool was left open.
- General Infractions Penalty: The general infractions penalty is \$50. This penalty applies to any other infraction of Jefferson Squares' HOA governing documents not specifically identified above, for example, having a pet off leash, or using your parking space or guest parking space for storage of a vehicle.

JEFFERSON SQUARE HOA

ARCHITECTURAL VARIANCE REQUEST FORM

Name: \_\_\_\_\_

Address: \_\_\_\_\_

Home Phone: \_\_\_\_\_

Work Phone: \_\_\_\_\_

Description of work proposed: (Attach any drawings, photos, etc.)

Who will perform the work? (Include qualifications)

ARCHITECTURAL VARIANCE REQUEST FORM

1. Applicant agrees and understands that submission of this form alone does not fulfill all requirements for approval. Committee and/or Board may require additional information in order to make a decision. Until all information has been received, the application stands disapproved.
2. Applicant understands that if the Committee requires modifications to plans, that special conditions may be placed on the completion of work.
3. Applicant understands that failure to receive City approval where necessary, and/or committee approval, constitutes automatic authorization by the applicant to the Association to have the work brought into conformance with the approved plans, specifications, and special requirements at the complete expense of the applicant/homeowner.

## Exhibit "C"

### Submissions Checklist

Complete and submit this form to the Manager. The Manager will submit this form to the Architectural Control Committee who will then review your request and notify you of its decision. Additionally submit those items as required in the attached Architectural Modifications Procedures Policies. The submission is not considered complete or submitted to the Committee until all items outlined in this application and/or the Architectural Modifications Procedure has been provided to the Committee.

Your project may, at the discretion of the Committee, be inspected at its conclusion. Direct replacement of carpet or vinyl flooring does not require a "Request for Architectural Variance" form or Architectural Control Committee approval.

### ARCHITECTURAL VARIANCE REQUEST FORM

#### Project Checklist

##### Pre-Project:

- ✓ Please notify your neighbors, two units deep in all directions, if applicable, of the dates and times of your construction project. Just a simple note on their door will suffice. Provide this same notice to the Manager. Notice of this nature should be given one (1) week in advance of the start of the work. At the same time, Owner must advise Manager of the contractor's name, business address, and telephone number in the event of an emergency.
- ✓ Notify your vendor that concussive or vibration inducing hand or power tools may only be operated between 9:00am and 6:00pm daily.

##### Project Day:

- ✓ We recommend that you are present during all phases of your construction project. You will be charged for any damage to the building or any extra cleaning that may be necessary, and has been identified or attributed to your vendor.

##### Flooring Specific Items:

- ✓ Your Architectural Control Committee must approve all flooring changes, other than direct replacement of carpet, vinyl, tile or stone.
- ✓ Make sure your vendor knows that carpet or vinyl cutting MAY NOT OCCUR in any common area. Cutting may occur in your home, parking space(s) or if by prior arrangement with Manager. All construction debris from the Contractor must be removed every day.



Exhibit "C"

Applicants Signature: \_\_\_\_\_

Date: \_\_\_\_\_

Committee's Application Reviewer: \_\_\_\_\_

Recommended to Board:

Approved: \_\_\_\_\_

Denied: \_\_\_\_\_

Would reconsider if following items were submitted:

Date: \_\_\_\_\_

Board of Directors reviewed on: \_\_\_\_\_

Approved: \_\_\_\_\_

Denied: \_\_\_\_\_

Submit to the Association by Fax or Mail to:

**Jefferson Square HOA**

C/O Archway, The Management Company  
P.O. Box 320819  
Los Gatos, CA 95032  
408-866-4537 - office  
408-866-4619 - fax

# Jefferson Square Homeowner's Association

## Architectural Committee Procedures for Applications

1. Complete architectural application with all pertinent information and submit to Management 1-2 weeks before next Board Meeting. Please be sure to include the Contractor's current license number and current insurance information.
2. The Architectural Committee will review application and set appointment, prior to the Board meeting, with Homeowner to view construction plans.
3. From that appointment, The Committee will then give recommendations to the Board for approval or denial of application.

## **JEFFERSON SQUARE HOMEOWNERS ASSOCIATION**

### **RENTAL POLICY**

**Adopted by the Board: April 26, 2011**

**Effective Date: April 26, 2011**

#### **PURPOSE OF THIS POLICY:**

The purpose of the Rental Policy is to set forth general rules for the Homeowners of Jefferson Square to rent their units. This policy follows the CC&R's Article VII, Section 7.8 Right to Lease. Failure to comply with this Rental Policy will result in a hearing with the Board and monetary fine(s). Please refer to Section 7.8 Right to Lease (D) "Any violation of the Association's governing documents shall be a breach of the lease or rental agreement, allowing termination thereof by Owner or Board.

#### **Guidelines:**

- Owners will be deemed ineligible to be added to the rental list if they are more than two (2) months in arrears with their HOA dues.
- Owners that are currently on the rental list and are two (2) months in arrears will be removed from the rental list. Other Homeowners in good standing will be given priority to be added to the rental list.
- Owners, who fail to provide a current rental agreement, as per the CC&R's, will be subject to a hearing, monetary fine(s) and loss of rental rights.
- When two (2) requests to rent a unit are received by Management at the same time, the Homeowner that has held ownership in the property the longest at Jefferson Square will be added to the rental list.

If you have any questions, please contact Archway, The Management Company at 408-866-4537, fax to 408-866-4619 or email to [Jeffersonsquare@archwaytmc.com](mailto:Jeffersonsquare@archwaytmc.com).

## JEFFERSON SQUARE HOMEOWNERS ASSOCIATION

### PARKING POLICY

Adopted by the Board: July 6, 2010

Effective Date: July 6, 2010

#### PURPOSE OF THIS POLICY:

The purpose of the Parking Policy is to set forth general rules for Jefferson Square Resident parking. Additional parking area restrictions and regulations can be reviewed in the CC&R's in Article II, Section 2.3 Parking and the California Vehicle Code, Article I, Authority to Remove Vehicles. Failure to comply with this Parking Policy will result in a fine(s) and/or towing to the OWNER.

#### **Guidelines:**

- NO PARKING on the private driveway (the internal private driveway at Jefferson Square) at any time; the street is a fire lane. Parked vehicles are subject to be towed at the Owner's expense.
- No unlicensed vehicles shall be operated on the property.
- The following are not permitted in the Jefferson Square parking lot other than on a temporary basis: trailer, camper, mobile home, house car, commercial vehicle\*, truck (other than a standard size pickup truck or standard size van), boat or an inoperable vehicle.
  - \*NOTE: Commercial vehicles do not include sedans or standard size vans and pickup trucks which are used both for personal and business as long as any commercial signs or markings are unobtrusive and inoffensive as determined by the Board of Directors.
- OWNERS are responsible for ensuring their guests, tenants and tenants' guests conform to the Jefferson Square Parking Policy.
- Vehicles stored in any common area parking space for longer than 5 days may be towed; vehicles parked in an assigned space where the space holder advises that said vehicle is not theirs may be immediately towed. An exception is that a vehicle which is attended or is associated with an activity such as unloading will not be towed. The towing company is given clear instructions to pass by such vehicles, and particularly to pass by vehicles whose flashers are on. Vehicles will be towed at Owner's expense. If possible, prior to removal of the vehicle, a photograph will be taken as evidence.
- The Jefferson Square HOA is not responsible for damage or theft to any vehicles parked in the assigned parking spaces or common area parking spaces.

**JEFFERSON SQUARE HOMEOWNERS ASSOCIATION  
POOL RULES**

**Adopted by the Board: July 6, 2010**

**Effective Date: July 6, 2010**

1. **NO LIFEGUARD ON DUTY** – All persons using the Pool do so at their own risk.
2. Pool area is to be used by Residents of Jefferson Square and their guest only.  
An adult Resident must accompany children (under the age of 14) at all times.
3. The Pool hours are seven (7) days a week:  
9:00AM –10:00PM Sunday through Thursday  
9:00AM–10:00PM Friday, Saturday and Holidays
4. Please be quiet and courteous to your neighbors. No loud noise while in the Pool.
5. Residents must remain with your guests at all times when they are in the Pool. You are solely responsible for your guests.
6. Keys distributed to non-residents and repeated breaking of these rules by you or your guests will result in loss of Pool privileges and/or fines.
7. Lifesaving equipment is not to be used for play. Water games, running and unnecessary noise are not permitted.
8. No food or drink allowed in the Pool. No glass or glassware allowed in the Pool area.
9. The Pool area is for the quiet enjoyment of the Residents of Jefferson Square. Any other use such as parties, meals, meetings, etc. must receive prior approval of the Board of Directors.
10. Bathing suits only are required at all times while in the Pool. Persons with long hair must wear bathing caps. Children still in diapers must wear protective swim pants; this is a City Health Code mandate.
11. No pets allowed in the Pool area (except certified service animals).
12. Help keep the Pool area clean.
13. Please make sure the Pool gate is closed and locked when exiting the Pool area.
14. The Jefferson Square HOA is not responsible for lost, stolen or damaged items.
15. If someone has an accident, please call 911 and then report the incident to Archway, The Management Company 408-866-4537.

All questions and concerns about the Pool Rules should be sent in writing to:

Archway, The Management Company

P.O. Box 320819

Los Gatos, CA 95032

Please make sure you include your name, unit number and contact number, along with the details of the infraction.

## JEFFERSON SQUARE HOMEOWNERS ASSOCIATION

### RESERVED PARKING SPACE POLICY

Adopted by the Board: March 29, 2011

Effective Date: March 29, 2011

#### **PURPOSE OF THIS POLICY:**

The purpose of the Parking Policy is to set forth general rules for Jefferson Square Reserved Parking Space Policy. This policy follows the California Vehicle Code, Article I: Authority to Remove Vehicles. Failure to comply with the Reserve Parking Space Policy will result in a fine(s) and/or towing of the illegally parked vehicle.

#### **Guidelines:**

- OWNERS are responsible for ensuring their guests, tenants and tenants' guest conform to the Jefferson Square Homeowners Association Reserved Parking Space Policy.
- Reserved parking spaces are assigned to specific units for their exclusive use, and each monthly rented reserved parking space has towing privileges.
- Reserved parking spaces may be rescinded by the Board, if Owner's become delinquent in their HOA financial obligations.
- The Association will not be responsible for any damage to person or property arising out of the reserved parking rental. Articles left in vehicles will be at the vehicle owner's risk. The Association is not responsible for loss or damage to any vehicle or its contents by fire, vandalism, theft or other cause. The Association does not assume any obligation for security of the parking area from criminal activities.

Please contact Archway, The Management Company at 408-866-4537, fax to 408-866-4619, email to [Jeffersonsquare@archwaytmc.com](mailto:Jeffersonsquare@archwaytmc.com) or mail to P.O. Box 320819, Los Gatos, CA 95032 if you would like to place your name on the waiting list for a reserved parking space.

I HAVE READ AND I AGREE TO THE GUIDELINES IN ORDER TO RENT AND RETAIN MY RESERVE PARKING SPACE.  
I AGREE TO PAY \$20.00 A MONTH UNTIL I CANCEL MY OPTION TO RENT THE RESERVE PARKING SPACE.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Address

Reserved Parking Space Number: \_\_\_\_\_

JEFFERSON SQUARE HOMEOWNERS ASSOCIATION

(A California Nonprofit Mutual Benefit Corporation)

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FINANCIAL STATEMENTS,  
INDEPENDENT ACCOUNTANTS' REVIEW REPORT  
AND  
SUPPLEMENTARY INFORMATION

September 30, 2015

*Takemoto & Co.*

JEFFERSON SQUARE HOMEOWNERS ASSOCIATION

FINANCIAL STATEMENTS,  
INDEPENDENT ACCOUNTANTS' REVIEW REPORT  
AND  
SUPPLEMENTARY INFORMATION

September 30, 2015

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# *Takemoto & Co.*

## INDEPENDENT ACCOUNTANTS' REVIEW REPORT

To the Board of Directors  
JEFFERSON SQUARE HOMEOWNERS ASSOCIATION  
San Jose, California

We have reviewed the accompanying balance sheet of JEFFERSON SQUARE HOMEOWNERS ASSOCIATION (a California Nonprofit Mutual Benefit Corporation) as of September 30, 2015 and the related statements of revenues, expenses and changes in fund balances and cash flows for the year then ended. A review includes primarily applying analytical procedures to management's financial data and making inquiries of Association management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the review in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. Those standards require us to perform procedures to obtain limited assurance that there are no material modifications that should be made to the financial statements. We believe that the results of our procedures provide a reasonable basis for our report.

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America.

Accounting principles generally accepted in the United States of America require that the information about future major repairs and replacements of common property on page 7 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Financial Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have compiled the required supplementary information without audit or review, and, accordingly, we do not express an opinion or provide any assurance on it.

*Takemoto & Co.*

November 09, 2015  
Redwood City, California

JEFFERSON SQUARE HOMEOWNERS ASSOCIATION  
BALANCE SHEET  
September 30, 2015

(See Accompanying Notes and Independent Accountants' Review Report)

|   | OPERATING<br>FUND | REPLACEMENT<br>FUND | TOTAL             |
|---|-------------------|---------------------|-------------------|
| <b><u>ASSETS</u></b>  |                   |                     |                   |
| Cash  | \$ 75,830         | \$ 265,131          | \$ 340,961        |
| Certificate of deposits   |                   | 400,000             | 400,000           |
| Assessment receivable, net of<br>allowance for doubtful accounts<br>of \$30,800 | 4,226             |                     | 4,226             |
| Prepaid expenses  | 15,856            |                     | 15,856            |
| Refundable income taxes   |                   | 358                 | 358               |
| Due from Operating Fund   |                   | 13,950              | 13,950            |
|   | <hr/>             | <hr/>               | <hr/>             |
| <b>TOTAL ASSETS</b>   | <b>\$ 95,912</b>  | <b>\$ 679,439</b>   | <b>\$ 775,351</b> |
|   | <hr/>             | <hr/>               | <hr/>             |
| <b><u>LIABILITIES</u></b>   |                   |                     |                   |
| Accounts payable  | \$ 4,697          | \$ 38,497           | \$ 43,194         |
| Assessments paid in advance   | 1,934             |                     | 1,934             |
| Due to Replacement Fund   | 13,950            |                     | 13,950            |
|   | <hr/>             | <hr/>               | <hr/>             |
| <b>TOTAL LIABILITIES</b>  | <b>20,581</b>     | <b>38,497</b>       | <b>59,078</b>     |
|   | <hr/>             | <hr/>               | <hr/>             |
| <b>FUND BALANCES</b>  | <b>75,331</b>     | <b>640,942</b>      | <b>716,273</b>    |
|   | <hr/>             | <hr/>               | <hr/>             |
| <b>TOTAL LIABILITIES AND<br/>FUND BALANCES</b>                                  | <b>\$ 95,912</b>  | <b>\$ 679,439</b>   | <b>\$ 775,351</b> |
|   | <hr/>             | <hr/>               | <hr/>             |

See accompanying notes to financial statements.

JEFFERSON SQUARE HOMEOWNERS ASSOCIATION  
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCES  
For the year ended September 30, 2015

(See Accompanying Notes and Independent Accountants' Review Report)

|   | OPERATING<br>FUND | REPLACEMENT<br>FUND | TOTAL             |
|---|-------------------|---------------------|-------------------|
| <b><u>REVENUES</u></b>                        |                   |                     |                   |
| Membership assessments                        | \$ 187,957        | \$ 118,680          | \$ 306,637        |
| Interest revenues                             | -                 | 904                 | 904               |
| Other income                                  | 8,648             |                     | 8,648             |
| <b>TOTAL REVENUES</b>                         | <b>196,605</b>    | <b>119,584</b>      | <b>316,189</b>    |
| <b><u>EXPENSES</u></b>                        |                   |                     |                   |
| Insurance                                     | 45,938            |                     | 45,938            |
| Utilities                                     | 48,280            |                     | 48,280            |
| Landscaping                                   | 18,276            |                     | 18,276            |
| Maintenance                                   | 19,810            |                     | 19,810            |
| Pool  | 4,098             |                     | 4,098             |
| Management                                    | 20,112            |                     | 20,112            |
| Professional fees                             | 1,935             |                     | 1,935             |
| Bad debt                                      | 10,800            |                     | 10,800            |
| Administrative                                | 2,798             |                     | 2,798             |
| Income taxes                                  |                   | 62                  | 62                |
| Replacement expenditures                      |                   | 70,268              | 70,268            |
| <b>TOTAL EXPENSES</b>                         | <b>172,047</b>    | <b>70,330</b>       | <b>242,377</b>    |
| Excess (deficit) of revenues<br>over expenses | 24,558            | 49,254              | 73,812            |
| <b>FUND BALANCES,</b>                         |                   |                     |                   |
| Beginning of year                             | 50,773            | 591,688             | 642,461           |
| <b>FUND BALANCES</b>                          |                   |                     |                   |
| End of year                                   | <u>\$ 75,331</u>  | <u>\$ 640,942</u>   | <u>\$ 716,273</u> |

JEFFERSON SQUARE HOMEOWNERS ASSOCIATION  
STATEMENT OF CASH FLOWS  
For the year ended September 30, 2015

(See Accompanying Notes and Independent Accountants' Review Report)

|   | OPERATING<br>FUND | REPLACEMENT<br>FUND | TOTAL      |
|---|-------------------|---------------------|------------|
| CASH FLOWS FROM<br>OPERATING ACTIVITIES:  |                   |                     |            |
| Excess (deficit) of revenues<br>over expenses   | \$ 24,558         | \$ 49,254           | \$ 73,812  |
| Adjustments to reconcile excess of<br>revenues over expenses to net cash<br>provided by operating activities: |                   |                     |            |
| (Increase) decrease in:   |                   |                     |            |
| Assessment receivable   | 1,347             |                     | 1,347      |
| Refundable income taxes   |                   | (24)                | (24)       |
| Increase (decrease) in:   |                   |                     |            |
| Accounts payable  | 35                | 38,497              | 38,532     |
| Assessments paid in advance   | (1,242)           |                     | (1,242)    |
| Net cash provided (used) by<br>operating activities   | 24,698            | 87,727              | 112,425    |
| CASH FLOWS FROM<br>INVESTING ACTIVITIES:  |                   |                     |            |
| Purchase investments  |                   | (500,000)           | (500,000)  |
| Matured investments   |                   | 300,000             | 300,000    |
| Net cash provided (used) by<br>investing activities   | -                 | (200,000)           | (200,000)  |
| CASH FLOWS FROM<br>FINANCING ACTIVITIES:  |                   |                     |            |
| Interfund loans   | (457)             | 457                 | -          |
| Net cash provided (used) by<br>financing activities   | (457)             | 457                 | -          |
| Net increase(decrease) in cash  | 24,241            | (111,816)           | (87,575)   |
| Cash at beginning of year   | 51,589            | 376,947             | 428,536    |
| Cash at end of year   | \$ 75,830         | \$ 265,131          | \$ 340,961 |
| Supplemental disclosure:  |                   |                     |            |
| Income taxes paid   |                   |                     | \$ 86      |

JEFFERSON SQUARE HOMEOWNERS ASSOCIATION  
NOTES TO FINANCIAL STATEMENTS  
September 30, 2015

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**NOTE 1 - DESCRIPTION OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

JEFFERSON SQUARE HOMEOWNERS ASSOCIATION, incorporated on December 10, 1985, is a California Nonprofit Mutual Benefit Corporation. Its primary purpose is to provide for the maintenance, preservation and architectural control of the grounds and common areas of the 86 residences located in San Jose, California.

Membership in the Association is mandatory for the homeowners. Voting members of the Association consist of all owners, who are entitled to one vote for each unit owned. Each member is obligated to pay annual assessments to the Association on each unit owned for amounts to be expended for the benefit of residents, and the maintenance of the common areas. Annual assessments are payable to the Association in monthly installments, and may be secured by a lien upon the property against which the assessment is made. In addition to the annual assessment, special assessments may be levied by the Association.

Date of Management's Review - In preparing the financial statements, the Association has evaluated events and transactions for potential recognition or disclosure through November 09, 2015, the date that the financial statements were available to be issued.

Accounting Method and Basis - The Association's governing documents provide certain guidelines for governing its financial activities. To ensure observance of limitations and restrictions on the use of financial resources, the Association maintains its accounts, prepares its financial statements, and files its Federal and state income tax returns using fund accounting and accrual basis of accounting. Financial resources are classified for accounting and reporting purposes in the following funds established according to their nature and purpose:

Operating Fund - This fund is used to account for financial resources available for the general operations of the Association.

Replacement Fund - This fund is used to accumulate financial resources designated for future major repair and replacements.

Estimates - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Property and equipment - The Association capitalizes all property and equipment to which it has title or other evidence of ownership with exception of real property directly associated with the units. At September 30, 2015, property not capitalized consists of common areas that consist of roofs, parking, sidewalks, landscaping, fencing, lighting, recreational facilities, and other common area assets. Not capitalizing common area real property is common practice among homeowners associations, since all beneficial rights of ownership belong to the homeowners and not to the Association. According to the Association's governing documents, two thirds of all unit owners must approve disposition of any common area real property.

Collection Process - The Association's collection process for past due membership dues and assessments includes the levy of late charges, mailing delinquent dues reminder notices and sending itemized warning letters noting costs of collection and intent to process foreclosure. The judicial foreclosure process culminates with the sale of the property and a deficient dues judgment against the property owner for the amount of delinquent dues and all related costs of collection. At September 30, 2015, delinquent dues assessments and late charges amounted to \$35,026 and allowance for doubtful accounts amounted to \$30,800. Association considers all net assessment receivable balances at September 30, 2015 fully collectible.

Statement of Cash Flows - For purposes of the statement of cash flows, the Association considers all highly liquid investments purchased with stated maturity of three months or less to be cash equivalents.

Income Taxes - Income taxes are provided for in accordance with current regulations and case law pertaining to homeowners associations. Under Section 528 of the Internal Revenue Code and California Revenue and Taxation Act Section 23701t, qualified homeowners association may elect to be treated as tax-exempt organizations. The Association has elected to be taxed only on income from investments and business with nonmembers. For Federal tax purposes, the election may be made or waived each year. Under Federal tax-exempt status, nonexempt income (such as interest) is subject to tax after deducting directly related expenses. For California tax purposes, the election is usually permanent and must be made prior to the year in

JEFFERSON SQUARE HOMEOWNERS ASSOCIATION  
NOTES TO FINANCIAL STATEMENTS  
September 30, 2015

which tax exempt status is to become effective. Under California tax-exempt status, nonexempt income is subject to tax after deducting a specific homeowner deduction.

**NOTE 2 - INVESTMENTS**

The Association invested in FDIC insured Certificates of Deposit with intent to hold them until maturity. The Association carries Certificates of Deposits at cost, which amounted to \$400,000 at September 30, 2015.

**NOTE 3 - REPLACEMENT FUND FOR FUTURE REPLACEMENTS**

The Replacement Fund for future replacements represents funds set aside for long-term maintenance within the development. Changes in the Replacement Fund are as follows:

|                            |                   |
|----------------------------|-------------------|
| Balance, Beginning of year | \$ 591,688        |
| Net contributions          | 119,584           |
| Replacement expenditures   | <u>( 70,330 )</u> |
| Balance, End of year       | <u>\$ 640,942</u> |

The Association had a reserve study prepared by Association Reserves - San Francisco, LLC in 2015, to estimate the replacement cost and the remaining useful lives of the components of common property in the Association. As disclosed in the reserve study, based on the method of calculation in paragraph (4) of subdivision (b) of Section 5570 of the California Civil Code, the estimated required amount in the Replacement Fund at year end is \$999,307. The reserve study projected the Replacement Fund having a balance of \$606,062. The actual balance in the Replacement Fund is \$640,942 at September 30, 2015. The Association is funding for such major repairs and replacements over the estimated useful lives of the components based on the reserve study's estimates of current replacement costs, considering amounts previously accumulated in the Replacement Fund. Actual expenditures, however, may be material. Therefore, amounts accumulated in the Replacement Fund may not be adequate to meet future needs. If additional funds are needed, however, the Association has the right, subject to member approval to increase regular assessments or levy special assessments, or it may delay major repairs and replacements until funds are available.

**NOTE 4 - MANAGEMENT AGREEMENT**

The Association employs the services of outside property management company. The fees are approximately \$19 per unit, per month.

**NOTE 5 - INCOME TAXES**

The provision for income taxes as of September 30, 2015, was as follows:

|            |              |
|------------|--------------|
| Federal    | \$ 0         |
| California | <u>62</u>    |
|            | <u>\$ 62</u> |

At September 30, 2015 the tax years that remain subject to examination by taxing authorities begin with the 2010 tax year. In evaluating the Association's tax provisions and accruals, the Association believes that its estimates are appropriate based on current facts and circumstances.

**NOTE 6 - INSURED CASH BALANCES**

The Association maintains its cash balances at City National Bank located in San Jose, California. City National Bank accounts are secured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. The Association had an aggregate cash balances at City National Bank at September 30, 2015 of \$281,249.

The Association also maintains cash and investments in certificates of deposit at Oppenheimer & Co., Inc. (Oppenheimer) located in San Francisco, California. The Association cash at Oppenheimer is held in a money fund which holds the funds in various FDIC institutions so that the cash is insured by the FDIC. The Association had an aggregate cash balance held in a money market fund at Oppenheimer at September 30, 2015 of \$59,712.

JEFFERSON SQUARE HOMEOWNERS ASSOCIATION  
SUPPLEMENTARY INFORMATION ON FUTURE REPAIRS AND REPLACEMENTS  
September 30, 2015

(See Accompanying Notes and Independent Accountants' Review Report)

The Association had a reserve study prepared by Association Reserves - San Francisco, LLC in 2015, to estimate the replacement cost and the remaining useful lives of the components of common property in the Association. Estimates in the analysis are based on an inflation rate of 3.00% and investment return of 1.00%.

The following table is based on the reserve study and presents significant information about the components of common property:

| Components:                               | Estimated<br>Remaining Useful<br>Life (Years) | Projected<br>Replacement<br>Cost | Replacement Fund<br>Balance at<br>September 30, 2015 |
|---|---|----------------------------------|--|
| Deck, walks, balconies, stair & stringers | 0 to 7  | \$ 220,205                       |  |
| Asphalt                                   | 0 to 9  | 160,950                          |  |
| Lighting                                  | 2 to 20                                       | 64,225                           |  |
| Fencing, rails, gates & doors             | 0 to 12                                       | 77,050                           |  |
| Landscaping & irrigation                  | 0 to 3  | 28,645                           |  |
| Painting                                  | 1 to 6  | 87,325                           |  |
| Exterior building surfaces - repairs      | 1   | 13,300                           |  |
| Pool                                      | 0 to 3  | 24,565                           |  |
| Roofing, gutters & downspouts             | 0   | 484,950                          |  |
| Other components                          | 0 to 20                                       | 65,810                           |  |
|   |   | <u>\$ 1,227,025</u>              | <u>\$ 640,942</u>                                    |

The reserve study estimates funding requirements for the year ending September 30, 2016, to be membership contributions of \$123,840 and investments earnings of \$3,676 and inflated expenditures of \$604,175.

**If this document contains any restriction based on race, color, religion, sex, gender, gender identity, gender expression, sexual orientation, familial status, marital status, disability, medical condition, genetic information, national origin, source of income as defined in subdivision (p) of Section 12955, or ancestry, that restriction violates state and federal fair housing laws and is void, and may be removed pursuant to Section 12956.2 of the Government Code. Lawful restrictions under state and federal law on the age of occupants in senior housing or housing for older persons shall not be construed as restrictions based on familial status.**



**JEFFERSON SQUARE HOMEOWNERS ASSOCIATION  
POOL RULES**

**Adopted by the Board: July 6, 2010  
Effective Date: July 6, 2010**

1. **NO LIFEGUARD ON DUTY** – All persons using the pool do so at their own risk.
2. Pool area is to be used by Residents of Jefferson Square and their guest only.  
An adult Resident must accompany children (under the age of 14) at all times.
3. The pool hours are seven (7) days a week:  
9:00 a.m. – 10:00 p.m. Sunday through Thursday  
9:00 a.m. – 10:00 p.m. Friday, Saturday and Holidays
4. Please be quiet and courteous to your neighbors. No loud noise while in the pool.
5. Residents must remain with your guests at all times when they are in the Pool. You are solely responsible for your guests.
6. Keys distributed to non-residents and repeated breaking of these rules by you or your guests will result in loss of pool privileges and/or fines.
7. Lifesaving equipment is not to be used for play. Water games, running and unnecessary noise are not permitted.
8. No food or drink allowed in the pool. No glass or glassware allowed in the pool area.
9. The pool area is for the quiet enjoyment of the Residents of Jefferson Square. Any other use such as parties, meals, meetings, etc. must receive prior approval of the Board of Directors.
10. Bathing suits only are required at all times while in the pool. Persons with long hair must wear bathing caps. Children still in diapers must wear protective swim pants; this is a City Health Code mandate.
11. No pets allowed in the pool area (except certified service animals).
12. Help keep the pool area clean.
13. Please make sure the pool gate is closed and locked when exiting the pool area.
14. The Jefferson Square HOA is not responsible for lost, stolen or damaged items.
15. If someone has an accident, please call 911 and then report the incident to Archway, The Management Company 408-866-4537.

All questions and concerns about the Pool Rules should be sent in writing to:

Archway, The Management Company  
P.O. Box 320819  
Los Gatos, CA 95032

Please make sure you include your name, unit number and contact number, along with the details of the infraction.

# Jefferson Square Homeowners Association

## RENTAL POLICY

Adopted by the Board: April 25, 2016

### **PURPOSE OF THIS POLICY:**

The purpose of the Rental Policy is to set forth general rules for the Homeowners of Jefferson Square to rent their units. This policy follows the CC&R's Article VII, Section 7.8 Right to Lease. Failure to comply with this Rental Policy will result in a hearing with the Board and monetary fine(s). Please refer to Section 7.8 Right to Lease (D) "Any violation of the Association's governing documents shall be a breach of the lease or rental agreement, allowing termination thereof by Owner or Board."

### **Guidelines:**

- Owners will be deemed ineligible to be added to the rental list if they are more than two (2) months in arrears with their HOA dues.
- Owners that are currently on the rental list and are two (2) months in arrears will be removed from the rental list. Other Homeowners in good standing will be given priority to be added to the rental list.
- Owners, who fail to provide a current rental agreement, as per the CC&R's, will be subject to a hearing, monetary fine(s) and loss of rental rights.
- When two (2) requests to rent a unit are received by Management at the same time, the Homeowner that has held ownership in the property the longest at Jefferson Square will be added to the rental list.

### **Waiting List for Rental Units:**

1. Once the number of rental units falls below the 30% threshold the HOA management firm will notify the Homeowner at the top of the waiting list within 30 days.
2. The Homeowner has 30 days to respond to the HOA management firm as to whether they plan to rent their unit or not.
3. The Homeowner has four options:
  - a. Reply that they will rent out their unit. Once they reply 'yes', the HOA management firm will inform them they are required to rent their unit out within 60 days. If they do not rent it in 60 days the Homeowner must request an extension from the Board or they will move to the end of the rental waiting list and lose their top place on the list. The Board has discretion whether to grant the extension, and if so, for how long.
  - b. Respond that they do not wish to rent their unit at this time, but would like to remain on the rental list. At which point they will be moved to the bottom of the list.
  - c. Respond that they no longer wish to rent their unit and then the HOA Management firm will remove them from the list.
  - d. If the HOA management firm receives no response within 30 days then the Homeowner will be removed from the list, unless the HOA management firm was notified previously from the homeowner that they will be out of contact for an extended period of time.
4. If any Homeowner falls out of good standing then they will be removed from the waiting list.
5. If a Homeowner is approved to rent, then the rental approval will remain with that Homeowner until they notify the Board that they no longer plan to rent their unit, the unit is sold or they fall out of good standing.

# JEFFERSON SQUARE HOMEOWNERS ASSOCIATION

## PARKING POLICY

Adopted by the Board: July 6, 2010

Effective Date: July 6, 2010

### **PURPOSE OF THIS POLICY:**

The purpose of the Parking Policy is to set forth general rules for Jefferson Square Resident parking. Additional parking area restrictions and regulations can be reviewed in the CC&R's in Article II, Section 2.3 Parking and the California Vehicle Code, Article I, Authority to Remove Vehicles. Failure to comply with this Parking Policy will result in a fine(s) and/or towing to the OWNER.

### **Guidelines:**

- NO PARKING on the private driveway (the internal private driveway at Jefferson Square) at any time; the street is a fire lane. Parked vehicles are subject to be towed at the Owner's expense.
- No unlicensed vehicles shall be operated on the property.
- The following are not permitted in the Jefferson Square parking lot other than on a temporary basis: trailer, camper, mobile home, house car, commercial vehicle\*, truck (other than a standard size pickup truck or standard size van), boat or an inoperable vehicle.
  - \*NOTE: Commercial vehicles do not include sedans or standard size vans and pickup trucks which are used both for personal and business as long as any commercial signs or markings are unobtrusive and inoffensive as determined by the Board of Directors.
- OWNERS are responsible for ensuring their guests, tenants and tenants' guests conform to the Jefferson Square Parking Policy.
- Vehicles stored in any common area parking space for longer than 5 days may be towed; vehicles parked in an assigned space where the space holder advises that said vehicle is not theirs may be immediately towed. An exception is that a vehicle which is attended or is associated with an activity such as unloading will not be towed. The towing company is given clear instructions to pass by such vehicles, and particularly to pass by vehicles whose flashers are on. Vehicles will be towed at Owner's expense. If possible, prior to removal of the vehicle, a photograph will be taken as evidence.
- The Jefferson Square HOA is not responsible for damage or theft to any vehicles parked in the assigned parking spaces or common area parking spaces.

## JEFFERSON SQUARE HOMEOWNERS ASSOCIATION

### RESERVED PARKING SPACE POLICY

Adopted by the Board: March 29, 2011

Effective Date: March 29, 2011

#### **PURPOSE OF THIS POLICY:**

The purpose of the Parking Policy is to set forth general rules for Jefferson Square Reserved Parking Space Policy. This policy follows the California Vehicle Code, Article I: Authority to Remove Vehicles. Failure to comply with the Reserve Parking Space Policy will result in a fine(s) and/or towing of the illegally parked vehicle.

#### **Guidelines:**

- OWNERS are responsible for ensuring their guests, tenants and tenants' guest conform to the Jefferson Square Homeowners Association Reserved Parking Space Policy.
- Reserved parking spaces are assigned to specific units for their exclusive use, and each monthly rented reserved parking space has towing privileges.
- Reserved parking spaces may be rescinded by the Board, if Owner's become delinquent in their HOA financial obligations.
- The Association will not be responsible for any damage to person or property arising out of the reserved parking rental. Articles left in vehicles will be at the vehicle owner's risk. The Association is not responsible for loss or damage to any vehicle or its contents by fire, vandalism, theft or other cause. The Association does not assume any obligation for security of the parking area from criminal activities.

Please contact Archway, The Management Company at 408-866-4537, fax to 408-866-4619, email to [Jeffersonsquare@archwaytmc.com](mailto:Jeffersonsquare@archwaytmc.com) or mail to P.O. Box 320819, Los Gatos, CA 95032 if you would like to place your name on the waiting list for a reserved parking space.

I HAVE READ AND I AGREE TO THE GUIDELINES IN ORDER TO RENT AND RETAIN MY RESERVE PARKING SPACE.  
I AGREE TO PAY \$20.00 A MONTH UNTIL I CANCEL MY OPTION TO RENT THE RESERVE PARKING SPACE.

---

Signature

Address

Reserved Parking Space Number: \_\_\_\_\_

JEFFERSON SQUARE HOA

ARCHITECTURAL VARIANCE REQUEST FORM

Name: \_\_\_\_\_

Address: \_\_\_\_\_

Home Phone: \_\_\_\_\_

Work Phone: \_\_\_\_\_

Description of work proposed: (Attach any drawings, photos, etc.)

Who will perform the work? (Include qualifications)

ARCHITECTURAL VARIANCE REQUEST FORM

1. Applicant agrees and understands that submission of this form alone does not fulfill all requirements for approval. Committee and/or Board may require additional information in order to make a decision. Until all information has been received, the application stands disapproved.
2. Applicant understands that if the Committee requires modifications to plans, that special conditions may be placed on the completion of work.
3. Applicant understands that failure to receive City approval where necessary, and/or committee approval, constitutes automatic authorization by the applicant to the Association to have the work brought into conformance with the approved plans, specifications, and special requirements at the complete expense of the applicant/homeowner.

### Submissions Checklist

Complete and submit this form to the Manager. The Manager will submit this form to the Architectural Control Committee who will then review your request and notify you of its decision. Additionally submit those items as required in the attached Architectural Modifications Procedures Policies. The submission is not considered complete or submitted to the Committee until all items outlined in this application and/or the Architectural Modifications Procedure has been provided to the Committee.

Your project may, at the discretion of the Committee, be inspected at its conclusion. Direct replacement of carpet or vinyl flooring does not require a "Request for Architectural Variance" form or Architectural Control Committee approval.

### ARCHITECTURAL VARIANCE REQUEST FORM

#### Project Checklist

##### Pre-Project:

- ✓ Please notify your neighbors, two units deep in all directions, if applicable, of the dates and times of your construction project. Just a simple note on their door will suffice. Provide this same notice to the Manager. Notice of this nature should be given one (1) week in advance of the start of the work. At the same time, Owner must advise Manager of the contractor's name, business address, and telephone number in the event of an emergency.
- ✓ Notify your vendor that concussive or vibration inducing hand or power tools may only be operated between 9:00am and 6:00pm daily.

##### Project Day:

- ✓ We recommend that you are present during all phases of your construction project. You will be charged for any damage to the building or any extra cleaning that may be necessary, and has been identified or attributed to your vendor.

##### Flooring Specific Items:

- ✓ Your Architectural Control Committee must approve all flooring changes, other than direct replacement of carpet, vinyl, tile or stone.
- ✓ Make sure your vendor knows that carpet or vinyl cutting MAY NOT OCCUR in any common area. Cutting may occur in your home, parking space(s) or if by prior arrangement with Manager. All construction debris from the Contractor must be removed every day.

Applicants Signature: \_\_\_\_\_

Date: \_\_\_\_\_

Committee's Application Reviewer: \_\_\_\_\_

Recommended to Board:

Approved: \_\_\_\_\_

Denied: \_\_\_\_\_

Would reconsider if following items were submitted:

Date: \_\_\_\_\_

Board of Directors reviewed on: \_\_\_\_\_

Approved: \_\_\_\_\_

Denied: \_\_\_\_\_

Submit to the Association by Fax or Mail to:

**Jefferson Square HOA**

C/O Archway, The Management Company  
P.O. Box 320819  
Los Gatos, CA 95032  
408-866-4537 - office  
408-866-4619 - fax

**Allstate.**

You're in good hands.

**Civil Code 1365 Insurance Disclosure**

JEFFERSON SQUARE HOA  
12/19/2015 TO 12/19/2016

This summary of the association's policies of insurance provides only certain information, as required by subdivision (e) of Section 1365 of the Civil Code, and should not be considered a substitute for the complete policy terms and conditions contained in the actual policies of insurance. Any association member may, upon request and provision of reasonable notice, review the association's insurance policies and, upon request and payment of reasonable duplication charges, obtain copies of those policies. Although the association maintains the policies of insurance specified in this summary, the association's policies of insurance may not cover your property including personal property, or real property improvements to or around your dwelling. Even if a loss is covered, you will be responsible for paying all or a portion of any deductible that applies. Association members should consult with their individual broker or agent for appropriate additional coverage.

|  |                            |
|--|----------------------------|
| <b>A. Property Insurance:</b>  | Allstate Insurance Company |
| Property Insurance Limits:   | \$15,629,810.              |
| Property Deductible:   | \$5,000                    |
| Glass Deductible:  | \$100                      |
| <b>B. Liability Insurance and<br/>Directors &amp; Officers Liability</b> | Allstate Insurance Company |
| Limits of Liability:   | \$4,000,000                |
| General Liability Deductible:  | No deductible              |
| <b>C. Fidelity Bond</b>  | Allstate Insurance Company |
| Limit:   | \$1,000,000                |
| Deductible:  | \$250                      |
| <b>D. Earthquake Insurance</b>   | N/A                        |



Jefferson Square Homeowners Association  
4/8/2016 to 4/8/2017

To all Jefferson Square Owners:

California Civil Code Section 5300 requires that your Association provide annual notice of the following information regarding the Association's insurance coverage, as well as the disclosure below:

**Earthquake Insurance:**

*Insurance Company:* QBE Specialty Insurance Co

*Total Insured Value:* \$15,629,810

*Deductible:* 15% per unit subject to \$50,000 Minimum per occurrence

**General Liability and Property: No Coverage**

**Fidelity (Crime) Coverage No Coverage**

**Flood Insurance No Coverage**

**Directors and Officers Liability: No Coverage**

**Umbrella Liability: No Coverage**

"This summary of the association's policies of insurance provides only certain information, as required by Section 5300 of the Civil Code, and should not be considered a substitute for the complete policy terms and conditions contained in the actual policies of insurance. Any association member may, upon request and provision of reasonable notice, review the association's insurance policies and, upon request and payment of reasonable duplication charges, obtain copies of those policies. Although the association maintains the policies of insurance specified in this summary, the association's policies of insurance may not cover your property, including personal property or real property improvements to or around your dwelling, or personal injuries or other losses that occur within or around your dwelling. Even if a loss is covered, you may nevertheless be responsible for paying all or a portion of any deductible that applies. Association members should consult with their individual insurance broker or agent for appropriate additional coverage."

Jefferson Square Homeowners Association  
Board of Directors Meeting  
Monday, August 22, 2016

**Board Members:**

Marcus Martel  
Justin Dietrich  
Ron Funkhouser  
Max Schultz  
Christine Holmes

President  
Vice President  
Treasurer  
Secretary (Absent)  
Director

**Others Present:**

C. Alderete  
Coleen C. Colla

Homeowner  
Archway, The Management Company

**Item I - Call to Order**

President Martel called the meeting to order at 6:00PM at the Association pool.

**Item II - Open Forum**

C. Alderete was present to discuss the following:

- 1) The gates for the trash enclosures.
- 2) That certain units are still disposing of boxes and not breaking them down.

There was general discussion regarding cameras and Management will ask if First Alarm to visit at the September meeting to discuss cameras.

President Martel reported on rising issues with pets and Homeowners not cleaning up after them. Management will include an article in the next news about the issue.

**Item III - Secretary's Report**

**A. Approval of Minutes**

1. The Board reviewed the July 25, 2016 - Board of Directors meeting minutes: A motion was made (MM) seconded (RF) and unanimously passed to approve the minutes as presented.
2. The Board reviewed the August 8, 2016 - Board of Directors meeting and Budget session minutes. Management noted the correction needed to add the Board Members and Others present at the meeting (Board Members M. Martel, R. Funkhouser and C. Holmes) Others Present: Management) A motion was made (RF) seconded (MM) and passed with a vote of three in favor and one abstention (JD) to approve the minutes as amended.

- B. Yearly calendar review:** The Board reviewed the yearly calendar for the Association. The Board members present confirmed their attendance for the monthly meeting in September set for Monday, September 26, 2016, which will be held at the pool.

Starting with the October meeting, the meetings will move back to the Trinity Cathedral for the fall and winter schedule. The November/December meetings were discussed and it was determined at this time to have meeting on Monday, November 28, 2016 and not have a meeting in December.

The Board discussed the closure for the year and determined to close the pool the week of October 3. Management will alert both the pool and janitorial vendors.

Management confirmed that East West Building would perform the annual rain gutter cleaning in November on Thursday, November 3, 2016.

P. O. Box 320819, Los Gatos, CA 95032  
408-866-4537 / FAX 408-866-4619

Jefferson Square Homeowners Association  
Board of Directors Meeting  
Monday, August 22, 2016

1. Restated Document Project Review: The Board and Management began the review of the restated document package for the Association as prepared by Association Attorney Jeffrey Barnett. The Board members provided questions, concerns, notes to Management for the Restated ByLaws at this meeting. The Board will review the Restated CC&Rs at the September meeting striving to complete a review of half of the document. The matrix of substantive changes as provided by Mr. Barnett was utilized in the review as well as the full document.

Mr. Barnett had confirmed that annual meeting could be changed to a February timeframe in the new documents. The Board had discussed this previously given the issues with collecting a quorum of ballots for the annual meeting. The ballots are mailed around the Christmas holiday which possibly affects the return.

**Item IV – Committee Reports**

**A. Maintenance Committee**

1. Maintenance items/correspondence (Plumbing issues, miscellaneous repairs)  
Management provided a copy of the work order for the emergency repair for the copper supply line to the water heater for unit 95-1B. This line was too close to the roof line and was hit by a nail during the project. During the repair they discovered that the water shut off for the unit is broken and will need to be repaired. This will require a complete building shut off. Management is coordinating this project with Arroyo Plumbing and trying to repair as many shut handles as possible while the water is off for the building.
  - a) Review of cement repair proposal: Management has additional proposals out for the cement work at the grounds.
  - b) Silicon Valley Builders Projects/Correspondence/Update
    - a. 630 7B/8B Stair landing change update: Now that the roofing project is winding down, Management will discuss this project with SVB.
    - b. 630 6B/5B/6A repair deck and stringer repair is not completed and Management has requested an update.
  - c) Marroquin Maintenance correspondence: There was no correspondence during this period.
  - d) Roof and Rain Gutter issues/correspondence
    - a. Review of Roofing replacement project - update – schedule: The roofing project is almost complete and Four Seasons is now working on the carport roofs. The Board noted that there are some fascia boards that have not been painted. Management will confirm with Four Seasons as to when they will be done.
    - b. Review of Rain gutter issues: Management provided confirmation information on the annual gutter cleaning by East West Building Services, which was approved at the August 8, 2016 Board meeting. A noted under the yearly calendar, this project will take place on Thursday, November 3, 2016.
  - e) Lighting discussion: Management provided the paper work (site access agreement) for the Silicon Valley Energy Watch program (S.V.E.W.). S.V.E.W. works in conjunction with PG&E to evaluate energy efficiency for the Association. Management has not had a response while they check the Association eligibility. Management will send a note to check on the status of the project.
  - f) Trash enclosure issues: There was no update at this time.
2. Landscape Committee
  - a) MM Landscape correspondence: There was no MM Landscape correspondence during this period. The Board discussed issues with the Landscape Maintenance and management will speak to MM Landscape about the training for new people and that the weeds are not being addressed.
  - b) Tree work correspondence – proposal review: Management included the approval paperwork for the upcoming tree work to be performed by Saratoga Tree. The work is scheduled for the week of October 19, 2016. Management will alert the Homeowners via newsletter regarding the upcoming Tree work.

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408-866-4537 / FAX 408-866-4619

Jefferson Square Homeowners Association  
Board of Directors Meeting  
Monday, August 22, 2016

- c) Gingko tree discussion: The Board will review the information further at the September meeting. The Board asked for the cost to remove the Gingko tree so they have all information to assist in a decision with the tree.
- d) Architectural committee / correspondence / requests: There was no correspondence at this time.

**Item V – Association Manager's Report**

A. Financial Review – through July 31, 2016. The Board reviewed the financial statement through July 31, 2016 that includes the general ledger for the period. There were no issues or questions noted at this time.

- 1. Fiscal Year 2016-2017 budget update. Management is completing the budget package and disclosures for distribution to the Members. Management briefly reviewed the final budget for the Board.

- a) CPA correspondence review – Takemoto & Co.: There was no correspondence during this period. Takemoto & Co. will perform the tax work and 2015-2016 financial statement for the Association.

B. Reserve Study – component list review, correspondence updated study: There was no update at this time. The most recent study was used for the annual budget.

C. Banking correspondence: There was no banking correspondence during this period.

D. Delinquency report – as of July 31, 2016: The Board reviewed the delinquent

- 1. The ASAP Monthly Report is sent to the Board via email: There was no additional correspondence during this period.

E. Pest Control issues: There were no pest control issues reported this period.

F. Pool issues/correspondence: Management discussed the pool closure date with the Board. It was determined to close the pool down the week of October 3, 2016. Management will alert both the pool and janitorial vendors regarding the date. The table and 4 chairs will be left out under the canopy, with the remainder of the furniture being stored in the restrooms.

G. Insurance correspondence/discussion/claim review: The renewal dates for the insurance are – Earthquake on April 8 and General package on December 19, 2016.

H. Management included the parking rental space log.

I. Management included the Rental Restriction report.

J. Case Manager report: The Board reviewed the case manager report for the month.

**Item VI – Association correspondence**

The Board reviewed the Association correspondence for the Association.

The Board and Management discussed the letters from Hobson Street neighbors regarding street cleaning issues. The Board provided feedback on the neighbors from the past who have complained and also stopped the installation of street signage calling out the days for street cleaning.

Management spoke with Michelle Marroquin regarding the issue of the landscapers cleaning the area. This is not part of the contract but they can include doing it on a monthly basis. The first time clean up would be \$225.00 but after that it would fold into the monthly contract at no extra charge. It was also discussed to perform the work on the third Tuesday of

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Jefferson Square Homeowners Association  
Board of Directors Meeting  
Monday, August 22, 2016

each month when street cleaning is done. A motion was made (MM), seconded (JD) and unanimously passed to approve the one time cleaning by MM Landscape and to continue on the monthly basis as part of the contract. Management will also speak with the City of San Jose regarding installation of street cleaning signs.

**Item VII – Unfinished Business**

There was no unfinished business at this time.

**Item VIII – New Business**

There was no new business at this time.

**Item IX – Standard Items**

A. Date/Location of next meeting: Discuss special budget meeting  
1. September 26, 2016 at the Association pool area.

B. Newsletter Items: Pet waste clean-up issues.

**Item X – Adjournment**

There being no further business to come before the Board at this time, the meeting was adjourned at 7:15PM.

**Item XI – Executive Session – as needed**

There was no Executive Session at this meeting.

Signature: \_\_\_\_\_

**NOT FOR PUBLIC RELEASE**

Ron Funkhouser, Treasurer

Date: \_\_\_\_\_

9/20/16

By: \_\_\_\_\_

Ron Funkhouser, Treas

**Jefferson Square HOA  
BOARD OF DIRECTORS MEETING and  
BUDGET SESSION  
Minutes  
Monday, August 8, 2016**

**Board Members:**

|                  |                |          |
|------------------|----------------|----------|
| Marcus Martel    | President      |          |
| Justin Dietrich  | Vice President | (Absent) |
| Ron Funkhouser   | Treasurer      |          |
| Max Schultz      | Secretary      | (Absent) |
| Christine Holmes | Director       |          |

**Others Present:**

Coleen C. Colla

Archway, The Management Company

**Item I Call to Order/Quorum:**

President Martel call the meeting to order at 6:00PM at the pool area.

**Item II Association Manager's Report**

**A. Financial Report**

**1. Financial statements-as of July 31, 2016 includes general ledger**

Management included the financial statement as July 31, 2016 for the Board's review and to use at the basis for the drafts of the budget.

**a. Review of FY 2016.17 Budget Drafts 2-3 review and approval:**

The Board and Management reviewed Draft 2a and went through each expense component.

The Board adjusted the following components and created Draft 3 of the budget:

Pest Control was increased to \$300.00 per month.

Roof Repairs was decreased to \$100.00 per month.

Reserve Contribution was increased to \$10,967.00 per month.

A motion was made (MM), seconded (RF) and unanimously passed to approve Draft 3 which represents an overall increase to the budget of 3.4%.

Management will finalize the budget and send to the Membership with the appropriate disclosures.

**2. Review of Reserve Study update - correspondence**

The Board reviewed the updated reserve study for the Association as prepared by Association Reserves.

A motion was made (MM) seconded (RF) and unanimously passed to approve the reserve study and funding plan as presented by Association Reserves. Management will inform Association Reserves that the Board approved an amount over the recommended reserve contribution.

**3. Review of Vendors contracts**

The Board reviewed the updated proposal from East West Building Services for the rain gutter cleaning at the complex.

The updated proposal allows for the extended partial cleanings during the rainy season because of the extensive leaf debris from the surrounding trees. The Board asked if the main complex cleaning could take place in November, given the new roof and gutter project. A motion was

**Jefferson Square HOA  
BOARD OF DIRECTORS MEETING and  
BUDGET SESSION  
Minutes  
Monday, August 8, 2016**

made (MM), seconded (RF) and unanimously passed to approve the proposal for the rain gutter cleaning with East West Building Services. Management will coordinate with East West Building as to the timing and confirm a date.

**Item III Standard Items**

- A. **Date/Location of next meeting**– Monthly Board meeting and Homeowners Forum:  
Monday, August 22, 2016 at 6:00PM at the pool area.

**Item IV Adjournment**

There being no further business to come before the Board, the meeting was adjourned at 6:28PM.

Signature:  Date: 08/22/16  
By: Ron Funkhouser, Treasurer

Jefferson Square Homeowners Association  
Board of Directors Meeting  
Monday, July 25, 2016

**Board Members:**

Marcus Martel  
Justin Dietrich  
Ron Funkhouser  
Max Schultz  
Christine Holmes

President  
Vice President  
Treasurer  
Secretary (absent)  
Director

**Others Present:**

Coleen C. Colla

Archway, The Management Company

**Item I - Call to Order**

The meeting was called to order at 6:18PM just after the Annual meeting, held prior to the July Board meeting.

- A. Annual meeting discussion: The Association finally achieved quorum to hold the meeting.
- B. Election of Officers: Following a duly made (MM) and seconded (CH) motion, the Board approved to remain in existing Board positions as follows: President: Marcus Martel, Vice President: Justin Dietrich, Secretary: Max Schultz, Treasurer: Ron Funkhouser and Director: Christine Holmes.

**Item II - Open Forum**

There were no issues presented at this time except for a report from Director Holmes regarding pole light out in front of the 95 building between the two carports closest to the 630 building.

**Item III - Secretary's Report**

A. Approval of Minutes

1. The Board reviewed the June 27, 2016 - Board of Directors meeting minutes: A motion was made (JD) seconded (MM) and unanimously passed to approve the minutes as presented.

- B. Yearly calendar review: The Board review the yearly calendar for the Association. Given the shortage of time at the July meeting the Board discussed the possibility of a second August meeting to review the budget for the Association. The date of Monday, August 8th was tentatively set.

The Board members present confirmed their attendance for the monthly meeting in August set for Monday, August 23, 2016.

1. Restated Document Project - Set Review process: The Board received the first draft of the Restated Document Package for review from Association Attorney Jeffrey Barnett. Management discussed and suggested that as each Board review they use sticky notes to mark the pages and when they are together for a review it will facilitate the process. Mr. Barnett's package included:
  - a. Draft 1 of the Restated documents - CC&Rs and Bylaws
  - b. Letter to the Board
  - c. Sample letter to members
  - d. Correlation chart regarding existing provisions versus new proposed provisions
  - e. A sample ballot.

The passage of these documents requires 44 affirmative votes for the bylaws and the CC&R's. The Board and Management will begin with the Bylaws for their review at the August Board meeting.

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Jefferson Square Homeowners Association  
Board of Directors Meeting  
Monday, July 25, 2016

**Item IV – Committee Reports**

**A. Maintenance Committee**

**1. Maintenance items/correspondence (Plumbing issues, miscellaneous repairs)**

- a) Review of cement repair proposal: Management has additional proposals out for the cement work at the grounds. Management provided an update on the plumbing issue during the roofing project. As the roofers were trying to get to the roof a Homeowners landscape pot fell and broke the PVC pipe for the water shut off valve. The pipe has been repaired and the water service restored.
- b) Silicon Valley Builders Projects/Correspondence/Update
  - a. 630 7B/8B Stair landing change update: This project will take place after the roofing project.
  - b. 630 6B/5B/6A repair deck and stringer repair is not completed. There are parts that have been ordered. Management will check on status of the project.
- c) Marroquin Maintenance correspondence: Management included various works to Marroquin Maintenance for different maintenance issues at the complex. Management reported on additional issues with plum tree droppings and that another work order has been sent to Marroquin.
- d) Roof and Rain Gutter issues/correspondence
  - a. Review of Roofing replacement project - update – schedule: The roofing project has begun and is moving along on schedule.
  - b. Review of Rain gutter issues: Management provided the annual proposal from East West Building Services. Management indicated that the proposal did not include the extended service for the 95 and 630 buildings. Management confirmed with the Board that the extended cleaning is needed and will ask East West for an updated proposal. The Board suggested that with the new gutters that are being installed the full cleaning should take place in November.
- e) Lighting discussion: The Board and Management discussed the new light that was installed at the end of carport by building 45 mailbox stations. Director Holmes viewed the light at night and indicated it provided a good light coverage to the area. The Board reviewed the Silicon Valley Energy Watch program (S.V.E.W.). S.V.E.W. works in conjunction with PG&E to evaluate energy efficiency for the Association. The process requires a site access agreement. A motion was made (JD) seconded (RF) to approve the completion of the form and allow for the review of the grounds by PG&E and S.V.E.W.
- f) Trash enclosure issues: The illegal dumping of large items at the enclosures continues to be an issue.
- g) Mailbox project is completed: The new mailboxes have been installed and almost all of the keys have been distributed.

**2. Landscape Committee**

- a) MM Landscape correspondence: There was no MM Landscape correspondence during this period.
- b) Tree work correspondence – proposal review: The Board reviewed the proposal from Saratoga Tree for the yearly tree trimming. The work would be slated for September. The motion was made (MM) seconded (CH) and unanimously passed to approve the work.
- c) Ginkgo tree discussion: Saratoga Tree provided their report on the Ginkgo tree. The Board will review further at the August meeting.
- d) Architectural committee / correspondence /requests: There was no correspondence at this time.

**Item V – Association Manager's Report**

**A. Financial Review – through June 30, 2016**

**1. Fiscal Year 2016-2017 budget prep**

- a) Draft no. 2-3 FY 2016-2017: Given the lack of full Board, the Board members present determined to schedule a special budget meeting for review and approval of the fiscal year 2016-17 budget. Monday, August 8, 2016 was set as noted above. Management will contact Secretary Schultz.
- b) CPA correspondence review – Takemoto & Co.: Management included the approval correspondence with CPA Takemoto & Co. to prepare the review for the annual financial statement for the Association as well as the State and Federal Tax Returns.

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Monday, July 25, 2016

- B. Reserve Study – component list review, correspondence updated study: Management presented the component list from the Annual Reserve. The latest site visit reserve study was performed and Management sent the latest study to the Board for review in light of the upcoming budget.
- C. Banking correspondence: There was no banking correspondence during this period.
- D. Delinquency report – as of June 30, 2016: The Board did not review the report during this meeting and will do so at the August 8, 2016 meeting.
- E. The ASAP Monthly Report is sent to the Board via email: There was no additional correspondence during this period.
- F. Pest Control issues: There were no pest control issues this period.
- G. Pool issues/correspondence: There were no pool issues during this period.
- H. Insurance correspondence/discussion/claim review: The earthquake insurance renewed in April. Management included the latest earthquake insurance and general liability disclosures for the Boards review. Management included correspondence regarding insurance claim payment.
- I. Management included the parking rental space log.
- J. Management included the Rental Restriction report.
- K. Case Manager report: The Board reviewed the case manager report for the month.

**Item VI – Association correspondence**

The Board reviewed the Association correspondence for the Association.

**Item VII – Unfinished Business**

There was no unfinished business at this time.

**Item VIII – New Business**

There was no new business at this time.

**Item IX – Standard Items**

- A. Date/Location of next meeting: Discuss special budget meeting
  - 1. August 22, 2016 at the Association pool area: The budget session is scheduled for Monday, August 8, 2016.
- B. Newsletter Items: There were no newsletter items brought up at this time.

**Item X – Adjournment**

There being no further business to come before the Board at this time, the meeting was adjourned at 6:57PM.

**Item XI – Executive Session – as needed**

There was no Executive Session at this meeting.

Signature: \_\_\_\_\_

**NOT FOR PUBLIC RELEASE**

Date: \_\_\_\_\_

08/22/16

By: \_\_\_\_\_

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Jefferson Square Homeowners Association  
Board of Directors Meeting  
Monday, June 27, 2016

**Board Members:**

Marcus Martel  
Justin Dietrich  
Ron Funkhouser  
Max Schultz  
Christine Holmes

President  
Vice President  
Treasurer  
Secretary  
Director

**Others Present:**

M. Kashkooli and family  
M. and S. Foster  
T. Kaneko  
Diana Martin  
Coleen C. Colla

Homeowners  
Homeowners  
Resident  
Archway, The Management Company  
Archway, The Management Company

**Item I – Call to Order**

A. President Martel called the meeting to order at the Association Pool at 6:01PM. Annual meeting discussion  
The annual meeting was not held because quorum was not met, given the IRS resolution is part of the balloting process management will continue to solicit Homeowners to send in their ballot. Management related the conversation with the CPA regarding the importance of the vote on the IRS resolution The Mailbox key distribution is providing the opportunity to speak directly to Homeowners who have not sent in the ballot. The annual meeting will reconvene on Monday, July 25, 2016.

B. Election of Officers – The Board officer election will take place when the annual meeting is held.

**Item II – Open Forum**

M. Kashkooli, Homeowner was present as new Homeowner to meet the Board and discuss the Association. He inquired about satellite dishes. This would require an architectural application and it could only go on the balcony or patio. The trees create an issue for reception.

M. & S. Foster, Homeowners, were present to discuss the following issues:

1. Mailbox vandalism.
2. Lighting for the mailboxes and the carport area.
3. Possibility of Cameras.

T. Kaneko, Resident was present to discuss the issue of smoking at the grounds.

**Item III – Secretary's Report**

**A. Approval of Minutes**

1. The Board reviewed the May 16, 2016 Board of Directors meeting minutes. A motion was made (MM) seconded (JD) and unanimously passed to approve the May 16, 2016 Board of Directors meeting minutes as presented.

B. Yearly calendar review: The Board to review the yearly calendar. The Board members, except for director Schultz will be able to attend the July meeting.

1. Restated Document Project – Update: Management reported that the restated document questionnaire was forwarded to Jeffrey Barnett, the Association Attorney. There are questions for discussion after the first draft is completed and the Board meets with Mr. Barnett. Mr. Barnett is currently finishing draft #1 of the restated documents.

**Item IV – Committee Reports**

**A. Maintenance Committee**

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Board of Directors Meeting

Monday, June 27, 2016

1. Maintenance items/correspondence (Plumbing issues, miscellaneous repairs): There was no maintenance correspondence during this period.
  - a) Review of Metro Concrete bid for cement repair: Management provided a proposal from Metro Concrete for the various concrete issues at the grounds. The Board reviewed and made the following conditional approval: A motion was made (JD) seconded (MS) to approve after Management has obtained two additional bids and authorize Management to go with the lowest bid with comparable or better location repairs.
  - b) Silicon Valley Builders Projects/Correspondence/Update
    - i. 630 7B/8B Stair landing change update: This project was on hold pending the completion of the deck projects. Management will coordinate schedule now that this phase of the deck project is completed.  
The deck painting/coating project – Phase II is completed. The last phase would be to address those decks that have not been coated/painted in the last two phases.  
The repair at 630 6B/5B/6A deck was delayed for a few days because they found issues with the other stringer and waiting for parts.
  - c) Marroquin Maintenance correspondence: Management provided correspondence to/from Marroquin Maintenance for various janitorial issues. Inappropriate dumping and resultant clean up continues to be a problem.
  - d) Roof and Rain Gutter issues/correspondence: The roofing project began the week of June 13, 2016. The project started with building 125 and will continue through the complex with buildings 75, 45, 630, 95 and ending with the carports. The project is running on time and should be done by the end of August.
  - e) Lighting discussion: The Board and Management discussed the lighting. Management explained issue now with fluorescent fixtures so test LED fixture is being installed. Homeowner M. Foster shared info on PG&E programs.
  - f) Trash enclosure issues: There was no update at this time on the locks for the trash enclosures. The main project priority currently is the new mailbox installations.
  - g) Mailbox replacement project update: Management provided an update on the mailbox project and the various issues with the post office: unable to schedule swap out because of their lack of constructive response. The mailbox key distribution is in progress with Management and the Homeowners. The mailboxes have been marked by Management per post office instruction. Management will continue to work toward further post office assistance to get the new boxes installed.
- B. Landscape Committee
  1. MM Landscape correspondence: The Board reviewed the proposal from MM Landscape Services for the installation of a crêpe myrtle tree to replace one of the plum trees that was removed. A motion was made (CH) seconded (MS) and unanimously passed to approve the proposal for installation of the new tree by the 125 building.
  2. Discuss upgrades and changes for the grounds: There was no discussion at this time and this topic can be removed from the agenda until landscape upgrades are being considered.
    - a) Tree work correspondence review
      - i. Gingko tree discussion: This discussion was deferred at this time. Management to discuss further with Saratoga Tree.
  3. Architectural committee / correspondence /requests: Management provided the architectural request from unit 125 6A for general remodeling (paint, bathroom upgrade). The Homeowner already performed the repairs utilizing a licensed/insured contractor.

**Item V – Association Manager's Report**

- A. The Board reviewed the Financial Report – through May 31, 2016. There were no issues noted.
  1. Fiscal Year 2016-2017 budget prep: The Board reviewed the engagement letter from Takemoto & Company for the fiscal year 2015–2016 financial review. A motion was made (MM) seconded (MS) and unanimously passed to approve the proposal.

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Board of Directors Meeting  
Monday, June 27, 2016

- a) Draft # 1 FY 2016-2017: Management created Draft #1 of the FY 2016-2017 budget for the Association utilizing the expenses through the eighth month financial of May 31, 2016. The Board and Management will continue to review and establish the final FY 2016-2017 budget for the Association.
- B. Reserve Study – component list review and correspondence: Management produced a copy of the financial information form completed for Association reserves, the reserve company for the Association. This year's update is a site visit. Management is scheduled to meet with a rep from Association Reserves on Wednesday, June 29 at 10 AM. Management invited Board members to attend if available.
- C. Banking correspondence: There was no banking correspondence during this period.
- D. Delinquency report – as of May 31, 2016: The Board of reviewed the delinquency report.
- E. ASAP Monthly Report (sent to the Board via email) & correspondence  
a) Alan Berger correspondence: There was no correspondence at this time.
- F. Comcast correspondence /agreement update: Management provided the final/signed Comcast service agreement and compensation agreement for the Association.
- G. Pest Control issues: Management included the signed authorization for the termite treatment at 630 – 1A for subterranean termite issues and dry wood termite issues at the window frame.
- H. Pool issues/correspondence: There were no issues discussed at this time.
- I. Insurance correspondence/discussion: The Board reviewed correspondence from Allstate for payment on claim for unit 95-7A. Allstate will confirm subrogation for the damage caused from State Farm.
- J. Rental Restriction report/update/correspondence  
a) Discuss procedures for the updated policy: There was no discussion at this time.
- K. The Board reviewed the reserve space parking rental log for the Association.
- L. Case Manager Report: The Board reviewed the Case Manager Report for the period.

**Item VI – Association Correspondence**

The Board reviewed the Association correspondence for the month.

**Item VII – Unfinished Business**

There was no unfinished business discussed at this meeting.

**Item VIII – New Business**

There was no new business discussed at this meeting.

**Item IX – Standard Items**

- A. Date/Location of next meeting:  
1. July 25, 2016 at the Association pool area
- B. Newsletter Items

**Item X – Adjournment**

Meeting was adjourned at 7:18PM to Executive Session to review delinquent account and next steps for the Association.

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Jefferson Square Homeowners Association  
Board of Directors Meeting  
Monday, June 27, 2016

**Item XI – Executive Session – as needed**

The Board met in the parking area for Executive Session at 7:20PM. The Board discussed the delinquent account and the next steps in the process. There are various fees involved and the Board asked for more information on the fees and to confirm that lien will cover assessments due from beginning of the lien to pay off. Management will speak to ASAP. Collection services.

There being no further business the Executive Session and meeting were adjourned at 7:31PM.

**NOT FOR PUBLIC RELEASE**

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

7/25/16

By: \_\_\_\_\_

Justin Dietrich VP

Printed Name

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Jefferson Square Homeowners Association  
Board of Directors Meeting  
Monday, May 16, 2016

**Board Members:**

Marcus Martel  
Justin Dietrich  
Ron Funkhouser  
Max Schultz  
Christine Holmes

President  
Vice President  
Treasurer  
Secretary  
Director

**Others Present:**

C. Alderete  
Coleen C. Colla

Homeowner  
Archway, The Management Company

**Item I – Call to Order**

- A. Annual meeting discussion – A quorum of ballots was not received, therefore, the Annual meeting was not held. The meeting will reconvene in May on May 16, 2016. Management will endeavor to contact Homeowners who have not voted to try to reach quorum for the annual meeting.
- B. Election of Officers – Given that the annual meeting was not held, there was no election for new Board officers.

**Item II – Open Forum**

C. Alderete, homeowner was in attendance to discuss/report on the following issues.

- 1) Report on homeowners not disposing boxes and proper manner.
- 2) The fountain at the pool over shoots the fountain and spills all over.

**Item III – Secretary's Report**

- A. Approval of Minutes
1. The Board reviewed the April 25, 2016 Board of Directors meeting minutes. A motion was made (MM) seconded (RF) and unanimously passed to approve the minutes as presented.
- B. Yearly calendar review: The Board reviewed the yearly calendar for the Association. The poll will open on the Memorial Day weekend and both janitorial and pool vendor will ready the pool the week prior for the opening that weekend. The next meeting is scheduled for June 27, 2016. Secretary Schultz will be unable to attend. The remainder of the Board confirmed their attendance for the June meeting to be held at the pool.
1. Restated Document Project – Update: Management presented at the completed governing document questionnaire. This has gone to Association Attorney Jeffrey Barnett to incorporate into the restated document package. The Board had no additions or deletions at this time. There are areas subject to discussion with Mr. Barnett.

**Item IV – Committee Reports**

- A. Maintenance Committee
1. Maintenance items/correspondence (Plumbing issues, miscellaneous repairs)
    - a) Silicon Valley Builders Projects/Correspondence/Update
      1. 630 7B/8B Stair landing change update - This project will be addressed after the deck sealing project.
      2. Deck painting/coating project – Phase I & II – This project is completed.
      3. 630 6B/5B/6A repair deck project – This project is in process.
    - b) Marroquin Maintenance correspondence – There were no maintenance projects noted at this time.

Jefferson Square Homeowners Association  
Board of Directors Meeting  
Monday, May 16, 2016

- c) Roof and Rain Gutter issues/correspondence
  - 1) Review of Roofing replacement project / shingle selection: The Board reviewed the additional information and shingle samples received from Four Seasons Roofing. The Board discussed the color for the shingles and settled on the black/gray color palette (black moire). A motion was made (RF) seconded (JD) and unanimously passed to approve the roofing replacement with the shingle color black moire. Management will coordinate this project with Four Seasons Roofing. The residence buildings will be done first then the carports.
  - 2) Review of Rain gutter issues: There were no specific
- d) Lighting discussion: Management walked with lighting vendor to review the location for the walk path lights. Discussion was had regarding the area by the 45 building mailboxes. It was the consensus of the Board to proceed with the locations reported by Management. The Board will walk just after executive session to view the locations.
- e) Trash enclosure signage: The new signage was installed on May 16, 2016 on the trash enclosures.
- f) Mailbox replacement project: Management met with the maintenance company regarding the mailbox locations. The boxes for the 75/125 buildings will need a new cement pad poured to accommodate. Management continues to work with the post office to expedite the swap out of the boxes.
- 2. Landscape Committee
  - a) MM Landscape correspondence: The Board reviewed the proposal from MM Landscape Source for the tree replacements at the corner of Hobson & San Pedro. A motion was made (MS) seconded (JD) and unanimously passed to approve the replacement of the trees as presented. The Board also discussed the tree replacement where two plum trees had been removed. The Homeowner in the area asked for a tree replacement for privacy and shade consideration. A motion was made (JD), seconded (MS) to replace tree up to a 65 gallon if needed. Management will discuss replacement tree with MM Landscape and Saratoga Tree.
    - 1) Discuss upgrades and changes for the grounds: There was no specific discussion at this time as to plant changes at the grounds.
  - b) Tree work correspondence review
    - 1) Ginkgo tree discussion: The Board reviewed the response from the forensic arborist. The ginkgo tree discussion will be deferred to the next meeting.
- 3. Architectural committee / correspondence /requests: The Board reviewed the request from Unit 95 – 7A for the installation of HVAC system. A motion was made (MS), seconded (RF) and unanimously passed to approve the architectural request for the HVAC installation with the following conditions: stucco is to be restored to original condition, insurance is provided for all vendors (HVAC installer, Contractor for the stucco repairs) and any damage caused by the installation will be repaired at the owner's expense.

**Item V – Association Manager's Report**

- A. Financial Review – through April 30, 2016: The Board review the financial report for the period ending April 30, 2016. The Board did not discuss the CD investment ladder for the Association at this time.
  - 1. Fiscal Year 2016-2017 budget prep
    - a) Draft no. 1 FY 2016-2017: Management is prepping for the fiscal 2016 - 2017 budget by completing the paperwork for Association Reserves to update the reserve study for next fiscal year.
- B. Reserve Study – component list review and correspondence: Management includes the reserve study component list in each Board packet to facilitate discussion and review.
- C. Banking correspondence: There was no banking correspondence during this period.
- D. Delinquency report – as of April 30, 2016: The Board reviewed the monthly delinquency list for the Association.
- E. ASAP Monthly Report (sent to the Board via email) & correspondence: The report is sent to the Board via email.
  - a) Alan Berger correspondence: There was no correspondence during this period.



Jefferson Square Homeowners Association  
Board of Directors Meeting  
Monday, May 16, 2016

- F. Comcast correspondence /agreement update (previously provided to the Board): The approved and signed agreement has been sent to Comcast there has been no response to date from Comcast.
- G. Pest Control issues: The Board reviewed the Pacific Coast Termite report and recommendation for the treatment for termites on the exterior of the window frame at unit 630-1A. A motion was made (MS) seconded (CH) and unanimously passed to approve the proposal and work.
- H. Pool issues/correspondence: Management included information regarding new and more regularly enforced rules for pools. The Board will review.
- I. Insurance correspondence/discussion: The Board reviewed the Allstate monthly billing statement showing the automatic installment schedule.  
a) Claim review: There was no update at this time.
- J. Rental Restriction report/update/correspondence  
a) Discuss procedures for the updated policy: Management included the updated policy for the rental policy for the Association. The new amended policy was approved and adopted on April 25, 2016. Management will forward the updated policy to the members.
- K. Parking rental update /parking issues/correspondence: The Board reviewed the parking rental update/parking issues for the month. There were no issues noted.
- L. Case Manager Report: There was no report presented at this meeting.

**Item VI – Association Correspondance**

The Board reviewed the Association correspondence, which was the business energy report from PG&E.

**Item VII - Unfinished Business**

There was no correspondence at this time.

**Item VIII – New Business**

There was no correspondence at this time.

**Item IX – Standard Items**

**A. Date/Location of next meeting:**

1. June 27, 2016 at the Association pool area

**B. Newsletter Items – Additional cost for large dumping on the bill.**

**Item X – Adjournment**

There being no further business to come before the Board at this time, the meeting was adjourned at 6:20PM to Executive Session and to walk the grounds to check out a proposed lighting locations.

**Item XI – Executive Session:**

After review of the lighting locations, the Board met in executive session on the grounds to discuss the settlement offer on the delinquent account. A motion was made (MS), seconded (MM) and unanimously passed to decline the offer of settlement and seek the full amount of the delinquent account. Management will inform ASAP Collection Service.

Signature: \_\_\_\_\_

**NOT FOR PUBLIC RELEASE**

Date: 6/27/16

By: \_\_\_\_\_

MAX SCHULTZ

Printed Name

SECRETARY

Title

Jefferson Square Homeowners Association  
Board of Directors Meeting  
Monday, April 25, 2016

**Board Members:**

|                  |                |
|------------------|----------------|
| Marcus Martel    | President      |
| Justin Dietrich  | Vice President |
| Ron Funkhouser   | Treasurer      |
| Max Schultz      | Secretary      |
| Christine Holmes | Director       |

**Others Present:**

|                 |                                 |
|-----------------|---------------------------------|
| M. Stowe        | Homeowner                       |
| Coleen C. Colla | Archway, The Management Company |

**Item I - Call to Order:**

President Martel called the meeting to order at 6:00PM at the Trinity Cathedral, 81 N. 2<sup>nd</sup> Street, San Jose, CA

1. Annual meeting discussion – A quorum of ballots was not received, therefore, the Annual meeting was not held. The meeting will reconvene in May on May 16, 2016. Management will endeavor to contact Homeowners who have not voted to try to reach quorum for the annual meeting. .
2. Election of Officers – Given that the annual meeting was not held, there was no election for new Board officers.

**Item II - Open Forum:**

The Board and Homeowner present discussed the rain gutter cleaning and that the partial cleaning program needs to be expanded because there have been additional calls this year regarding the leaf debris in more areas on the buildings. Management will coordinate the April cleaning with East West Building Services.

**Item III - Secretary's Report:**

A. Approval of Minutes - The Board reviewed the March 21, 2016 Board of Directors meeting minutes. The following correction was made: 1. Add the address for the work approved for SVB at 45 3A for the floor repair post sewer line back up and to add the units affected by the cement work to take place at 630 7AB and 8AB. A motion was made (MM) seconded by (JD) and unanimously passed to approve the minutes as amended and presented.

B. Yearly calendar review - The Board reviewed their yearly calendar for the Association. As noted, the reconvened annual meeting will take place on Monday, April 25, 2016 with the monthly Board meeting to follow. The Board confirmed that a quorum of Board members is available for the monthly Board meeting. The meeting in May was changed from Monday, May 23, 2016 to Monday, May 16, 2016, which will be held at the pool area at the complex. The Board members confirmed their attendance for the May meeting.

1. Restated Document Project: proposal review: The Board and Management reviewed the Governing Document Questionnaire as presented by Attorney Jeffrey Barnett. Management will forward the questionnaire to Mr. Barnett with the questions and comments presented at the meeting. The questionnaire will be used to create the first draft of the proposed restated documents.

**Item IV - Committee Reports:**

1. Maintenance Committee - maintenance items/correspondence (Plumbing issues, Miscellaneous repairs)

Jefferson Square Homeowners Association  
Board of Directors Meeting  
Monday, April 25, 2016

The Board reviewed correspondence on various projects at the grounds.

- a. Silicon Valley Builders (SVB) Projects/Correspondence/Update – Management included at the approval correspondence for the following repair work to be performed by SVB:
  1. The flooring work at 45 3a from the sewer back up into the unit.
  2. The additional deck work to be done as phase 2 of the deck coating/painting project.
  3. The water test for 630 6A found a deck issue from above which needs to be addressed. A motion was made (RF), seconded (JD) and passed with a vote of four (4) in favor and one (1) abstention to approve the proposal for the work.There was discussion regarding the parameters for the decks that were coated and those that were not. Unless there was an issue with the deck the decks that were covered would not receive a coating/painting during this phase of the deck project.
- b. Marroquin Maintenance correspondence – There was no correspondence during this period. Management has discussed and asked that Marroquin Maintenance proceed with cleaning and relamping the carport lights (interior over the vehicles). The gates signs were discussed and they will be put on the gates at this time.
- c. Roof and Rain Gutter issues/correspondence – Management provided the additional information from Four Seasons regarding the roof replacement proposal. A motion was made (MM), seconded (JD) and unanimously passed to approve the proposal presented by Four Seasons Roofing with the condition that samples of the different roofing materials are presented to the Board. Management will coordinate obtaining sample boards of the roofing shingles.

Management included the approval correspondence for the rain gutter repairs/replacement affecting units 630 7B and 8B.

As noted under the open forum, the partial rain gutter cleaning will take place for April and the scope will be extended to cover more areas affected by the leaf debris from the sycamore trees.
- d. Lighting discussion – As noted above Marroquin Maintenance will start cleaning the carport lights and relamping the fixtures.
- e. Trash enclosure changes – There was no update at this time.
- f. Mailbox issues: Management reported on the meeting with the post office regarding the replacement of the mailboxes. The 75/125 boxes were vandalized again and there have been issues with the mailbox station for the 45 building. The post office is proposing one location for all the boxes at the end of the 125 building. After discussion, the Board determined that the new boxes should be installed in the same location. The new boxes are different in style and function but are supposedly more vandal proof than the current boxes. A motion was made (MM), seconded (MS) and unanimously passed to approve the purchase of the new mailboxes for the community. Management will work with the post office and alert them to the Board's decision to keep the current mailbox station locations.

2. Landscape Committee

Jefferson Square Homeowners Association  
Board of Directors Meeting  
Monday, April 25, 2016

- a. MM Landscape correspondence – The Board reviewed the correspondence from/to MM Landscape. The Board reviewed the proposal for new trees to be installed at the corner of San Pedro and Hobson. Trees/bushes were removed from this area several years ago and never replaced. A motion was made (MS), seconded (RF) and unanimously passed to replace the trees as presented by MM Landscape.
- b. Tree work correspondence review - Management and the Board discussed the response and documentation received from Deborah Ellis the consulting arborist regarding the ginkgo tree in front of 45 1A. A preliminary cost of \$400.00 is indicated. There are different approaches to assessing the tree. The Board wants to be sure that after Ms. Ellis has reviewed the tree and creates a report, that the report will determine and assess the tree for safety/liability issues. Basically, Will the \$400.00 report provide a good idea about the health of tree and safety for the community? Management will review and discuss with Ms. Ellis.
3. Architectural committee / correspondence /requests: Management discussed the issue with the installation of an HVAC unit at Unit 95 7A. The Homeowner had submitted a previous request last year but this information was for a change of vendors. The email from the Homeowner indicated installation by the front entry. The Board had previously denied installation at the front door but that a patio installation is allowed. There was no change to the original disposition – Patio installation is allowed but installation by the front door is not.

**Item V - Association Manager's Report :**

1. Financial Review – as of March 31, 2016 - The Board reviewed the financial statement through March 31, 2016. There were no CDs to reinvest at this meeting and no issues noted for the report.
2. Reserve Study – component list review and correspondence - The Board and management reviewed the component list from the current reserve study. The roofing project will take place during this fiscal year as well as deck repairs and sealing.
3. Banking correspondence - management included correspondence from Oppenheimer & Company regarding CD investments.
4. Delinquency report – as of March 2016. - The Board reviews the delinquency report each month for the Association. Management included the report as of March, 2016 for the Association.
5. ASAP Monthly Report (sent to the Board via email) & correspondence -
  - a. Alan Berger correspondence: There was no correspondence at this time.
6. Comcast correspondence /agreement update (previously provided to the Board) –There was no update at this time. The signed agreement has been sent to Comcast.
7. Pest Control issues - There were no issues presented or reported at this meeting.
8. Pool issues/correspondence – There were no pool issues presented or reported at this meeting. The pool will open the weekend of Memorial Day.

Jefferson Square Homeowners Association  
Board of Directors Meeting  
Monday, April 25, 2016

- a. Insurance correspondence/discussion – The Board approved the renewal of the earthquake policy at the March meeting. Management provided the final correspondence regarding the renewal process.
  - b. Claim review - There was no update at this time on claims made on behalf of the Association.
9. Rental Restriction Report/update/correspondence: The Board reviewed the updated policy on the rental restrictions that had been sent to the Members for their review as required by Civil code prior to any rule/policy change. Management reported that no calls have been received about the update of the policy. A motion was made (JD), seconded (MM) and unanimously passed to approve the updated policy. Management will include a note and copy of the approved updated policy in the next newsletter.
10. Parking rental update /parking issues/correspondence: There was no discussion on the parking rentals at this time.

The Board previously reported on two vehicles at the grounds that have been parking for an inordinate amount of time. Management sent letters accordingly regarding the issue. The white truck is still parked in the same location.

11. Case Manager Report – There was no case manager report at this meeting.

**Item VI - Association correspondence :**

The Board reviewed the monthly Association correspondence.

**Item VII - Unfinished Business:**

There was no unfinished business discussed at this meeting.

**Item VIII - New Business:**

There was no new business presented at this time.

**Item IX - Standard Items:**

- A. Date/Location of next meeting: Annual meeting 6:00PM with Board meeting to follow: will be Monday, May 16, 2016 at the Association's pool area.
- B. Newsletter Items –

**Item X – Adjournment:**

There being no further business to come before the Board at the time, the meeting was adjourned at 7:25PM to go into executive session.

**Item XI - Executive Session** – During the March meeting, the Board met in executive session to discuss the delinquent account and offer of the Homeowner. After review of the offer and responses to questions from ASAP Collection Service, a motion was made (RF) seconded (MS) and unanimously passed to counter with payment in full of the monies due to the Association plus to begin paying the monthly assessments and ask the delinquent Homeowner to schedule a meeting to if he chooses to discuss further.

As approved by the Board of Directors:

**NOT FOR PUBLIC RELEASE**

*Secretary*

Date:

*5/16/16*

Jefferson Square Homeowners Association  
Board of Directors Meeting  
Monday, March 21, 2016

**Board Members:**

|                  |                |
|------------------|----------------|
| Marcus Martel    | President      |
| Justin Dietrich  | Vice President |
| Ron Funkhouser   | Treasurer      |
| Max Schultz      | Secretary      |
| Christine Holmes | Director       |

**Others Present:**

|                 |                                 |
|-----------------|---------------------------------|
| J. Ojerholm     | Homeowner                       |
| Jeffrey Barnett | Association Attorney            |
| Coleen C. Colla | Archway, The Management Company |

**Item I - Call to Order:**

President Martel called the meeting to order at 6:00PM at the Trinity Cathedral, 81 N. 2<sup>nd</sup> Street, San Jose, CA

1. Annual meeting discussion – A quorum of ballots was not received, therefore, the Annual meeting was not held. The meeting will reconvene in April on April 25, 2016. Management will endeavor to contact Homeowners who have not voted to try to reach quorum for the annual meeting. .
2. Election of Officers – Given that the annual meeting was not held, there was no election for new Board officers.

**Item II - Open Forum:**

J. Ojerholm attended to discuss the flooring repair at the unit from damage created by the sewer backup in the unit. The decision was made as noted under Silicon Valley Builders projects.

**Item III - Secretary's Report:**

A. Approval of Minutes - The Board reviewed the February 22, 2016 Board of Directors meeting minutes. The following correction was made: 1. Homeowner C. Alderete's attendance was not reflected, 2. The date of the minutes should be February 22, 2016 and not February 23, 2016, and 3. Under Item IV – Committee Reports, complete the sentence of a. 2; which should reflect that the deck coating project will begin the week of March 14, 2016. A motion was made (MM) seconded by (MS) and unanimously passed to approve the minutes as amended and presented.

B. Yearly calendar review - The Board reviewed their yearly calendar for the Association. As noted, the reconvened annual meeting will take place on Monday, April 25, 2016 with the monthly Board meeting to follow. The Board confirmed that a quorum of Board members is available for the monthly Board meeting. As noted at the March meeting, the meeting in May was changed from Monday, May 23, 2016 to Monday, May 16, 2016, which will be held at the pool area at the complex.

1. Restated Document Project: proposal review: The Board reviewed the proposals from the law firms of McDonald & White and Jeffrey L. Barnett for the restatement of the governing documents. After discussion, a motion was made (JD), seconded (RF) and unanimously passed to approve the proposal as presented by Jeffrey Barnett to prepare a restated document package for the Association. Mr. Barnett includes a questionnaire for completion by the Association to address and answer questions about the

Jefferson Square Homeowners Association  
Board of Directors Meeting  
Monday, March 21, 2016

complex. Management will complete the general complex questions and include in the next Board packet for final completion with the Board at the April meeting.

*Attorney Jeffrey Barnett arrived at the meeting at 6:30PM and the Board and Mr. Barnett discussed the rental policy changes as well as the proposed change to flooring change requests.*

**Item IV - Committee Reports:**

1. Maintenance Committee - maintenance items/correspondence (Plumbing issues, Miscellaneous repairs)

The Board reviewed correspondence on various projects at the grounds.

a. Silicon Valley Builders (SVB) Projects/Correspondence/Update –

Regarding repair at 45 3A, the Board had approved and set a limit for approval of \$7,600.00 at the February meeting and whichever vendor came in at the price or lower, they would be the vendor for this project. There was a \$63.00 difference. A motion was made (MS), seconded (RF) and unanimously passed to approve the proposal by SVB to perform the work. Management will coordinate with SVB to contact the Homeowner to proceed with the project.

The Board and Management discussed the water leak at 630 6A that was found during a remodeling project at the unit. Management reported that SVB recommends a water test from the deck area above the location to determine source of leak. Management also provided information from previous vendor regarding similar leak with prior owner. It was the consensus of the Board to proceed with the investigation to solve the leak issue with SVB and to share the information found from previous vendor. (Drainage issue and possibly cementing in the area under the stair well will allow for better drainage.)

1. 630 Stair/landing change Units 7A/B and 8A/B update – This project has been deferred because of the weather. Management coordinating with Silicon Valley Builders on the project.
  2. Deck Coating/Painting project: The project started on March 14, 2016. Management provided the schedule from SVB for the project. Management also reported that several Homeowners have called in with additional issues that SVB has reviewed during the main project. SVB sent in a change order for the project in the amount of \$11,064.00. There is one location that appears to have been burned. A motion was made (MS), seconded (RF) and unanimously passed to approve the change order and that there would be no bill back on the burned deck, since the history on the issue is not available.
- b. Marroquin Maintenance correspondence - Management included correspondence to Marroquin Maintenance for various maintenance issues at the grounds including the repair of the hinge for the utility closet
- c. Roof and Rain Gutter issues/correspondence – Management provided the roof replacement proposals as presented by Four Seasons Roofing, Statewide Roofing and IQV Construction. The Board reviewed the proposals and asked for additional information from Four Seasons Roofing; if they upgraded the shingle product what is the cost differential, would upgrade be a benefit, and if possible to obtain a sample of the product. The Board is looking to this being a summer project.

Jefferson Square Homeowners Association  
Board of Directors Meeting  
Monday, March 21, 2016

The Board reviewed the proposal from Four Seasons Roofing for the repairs at the roofing/rain gutter sections over the front doors of 630 7B and 8B. A motion was made (RF), seconded (JD) and unanimously passed to approve the proposal for rain gutter repair and replacement.

Management included the approval correspondence for the rain gutter repair at 95 14B.

- d. Lighting discussion – Management will work with the vendor regarding the installation of wall packs at the end wall of the carports in the back corner of the property. A work order will also be issued to Marroquin Maintenance to clean the fixtures in the carports and put in a new bulb to help with the lighting situation under the carports proper.
  - e. Trash enclosure changes – There was no update at this time.
  - f. Mailbox issues: The Board and Management discussed the recent vandalism at the mailboxes located between Buildings 125 and 75. The back locks to the boxes (arrow locks) had been broken and then replaced by the post office but there is no guarantee they will last or not be vandalized again. There are new locks (mal locks) that the post office is in the process of receiving but they will not work on the old style boxes. The post office will most likely want new boxes (CBUs) installed. Management provided a copy of the various styles for the CBU style box. A motion was made (RF), seconded (JD) and unanimously passed to approve the purchase of the new box(es) for the 75/125 boxes and to speak with the post office regarding relocating the boxes to a more interior spot in the complex.
2. Landscape Committee
- a. MM Landscape correspondence – The Board reviewed the correspondence from/to MM Landscape. The Board reviewed the approval correspondence to MM Landscape Service for the spraying of the plum trees. The work did not take place given weather and timing. Given, the spraying has taken place regularly, there should not be a major issue but in the event there is MM Landscape services will address the issue.
  - b. Tree work correspondence review - Management discussed the gingko tree in front of 45 1A, which Saratoga Tree has called out because of the tree cavity issue. Lucy Leeburg has recommended that a consultant Deborah Ellis review the tree. Management has reached out is waiting for the correspondence from Ms. Ellis to proceed.
3. Architectural committee / correspondence /requests
- a. Discussion of flooring policy/procedure – The Board and Mr. Barnett discussed the flooring change procedures as proposed by Director Dieterich. After discussion, it was determined that the proposed policy may not be enforceable and the Board determined to not pursue a change in this manner, but to work on the restatement of the governing documents

**Item V - Association Manager's Report :**

- 1. Financial Review – Through February 29, 2016 - The Board reviewed the financial statement through February 29, 2016. The Board reviewed the CD investments and renewal for the February 28, 2016 maturity of the Beal Bank CD at the February meeting. Once a maturity of a CD has occurred and the confirmation is, received Management will include this information in the Board packet. There were no questions or issues for the February financial report.



Jefferson Square Homeowners Association  
Board of Directors Meeting  
Monday, March 21, 2016

2. Reserve Study – component list review and correspondence - The Board and management reviewed the component list from the current reserve study. The Board determined that the asphalt project could be pushed to next year. The mailboxes will be done on an as needed basis. The roofing replacement will take place this year and the Board will make a decision at the April Board meeting.
3. Banking correspondence - management included correspondence to Oppenheimer & Company regarding CD investment for February for the Association. There was no other banking correspondence at this time.
4. Financial review correspondence – There was no correspondence at this time.
5. Delinquency report – as of February 2016. - The Board reviews the delinquency report each month for the Association. Management included the report as of February, 2016 for the Association. The Board broke at 7:25PM to executive session to discuss a delinquent account for the Association. The executive session is noted at the end of the minutes. The executive session ended at 7:42PM.
6. ASAP Monthly Report (sent to the Board via email) & correspondence -
  - a. Alan Berger correspondence: There was no correspondence at this time.
7. Comcast correspondence /agreement update (previously provided to the Board) –There was no update at this time.
8. Pest Control issues - There were no issues presented or reported at this meeting.
9. Pool issues/correspondence – There were no pool issues presented or reported at this meeting.
10. Insurance correspondence/discussion – Management provided the information from Allanson Insurance regarding the premium for the renewal package for the earthquake coverage for the Association. This package renews on April 8, 2016. The package provided included flood. A motion was made (MM), seconded (MM) and seconded (MS) and unanimously passed to approve the package without the flood coverage, to maintain the 15% deductible and no on the terrorism coverage on the policy with Houston Casualty.
  - a. Claim review - There was no update at this time on claims made on behalf of the Association.
11. Rental Restriction Report/update/correspondence: The Board and Mr. Barnett discussed the proposed addendum to the rental policy as presented by Vice President Dietrich. The current policy is not subject to the new laws regarding rental restrictions as the policy was in place prior to the updated laws. The addendum addresses the waiting list and new procedures for being on the waiting list. It was the consensus of the Board to proceed with sending the addendum to the policy out to the Membership for the 30 day rule change review. Management will coordinate disseminating the information to the Homeowners with the information that the Board will formally adopt the updated rental policy at the April meeting.
12. Parking rental update /parking issues/correspondence: There was no discussion on the parking rentals at this time.

*Vice President Dietrich left the meeting at 7:42PM.*

Jefferson Square Homeowners Association  
Board of Directors Meeting  
Monday, March 21, 2016

The Board reported on two vehicles at the grounds that have been parking for an inordinate amount of time. It is believed that the vehicles belong to a Resident and Management will send letters accordingly regarding the issue.

13. Case Manager Report – There was no case manager report during this period.

**Item VI - Association correspondence :**

The Board reviewed the monthly Association correspondence.

**Item VII - Unfinished Business:**

There was no unfinished business discussed at this meeting.

**Item VIII - New Business:**

There was no new business presented at this time.

**Item IX - Standard Items:**

- A. Date/Location of next meeting: Annual meeting 6:00PM with Board meeting to follow: will be Monday, April 25, 2016 Trinity Cathedral, 81 N. 2<sup>nd</sup> Street, San Jose, CA
- B. Newsletter Items –

**Item X – Adjournment:**

There being no further business to come before the Board at the time, the meeting was adjourned at 8:00PM to go into executive session.

**Item XI - Executive Session –** From 7:25PM to 7:42PM The Board met in executive session to discuss the delinquent account and offer of the Homeowner. After review of the offer and responses to questions from ASAP Collection Service, a motion was made (RF) seconded (MS) and unanimously passed to counter with payment in full of the monies due to the Association plus to begin paying the monthly assessments and ask the delinquent Homeowner to schedule a meeting to if he chooses to discuss further.

As approved by the Board of Directors:

**NOT FOR PUBLIC RELEASE**

Date: 4/25/2016

Jefferson Square Homeowners Association  
Board of Directors Meeting  
Monday, February 22, 2016

**Board Members:**

|                  |                |
|------------------|----------------|
| Marcus Martel    | President      |
| Justin Dietrich  | Vice President |
| Ron Funkhouser   | Treasurer      |
| Max Schultz      | Secretary      |
| Christine Holmes | Director       |

**Others Present:**

|                 |                                 |
|-----------------|---------------------------------|
| C. Alderete     | Homeowner                       |
| J. Ojerholm     | Homeowner                       |
| Coleen C. Colla | Archway, The Management Company |

**Item I - Call to Order:**

President Martel called the meeting to order at 6:03PM at the Trinity Cathedral, 81 N. 2<sup>nd</sup> Street, San Jose, CA

1. Annual meeting discussion – A quorum of ballots was not received, therefore, the Annual meeting was not held. The meeting will reconvene in March on Monday, March 21, 2016. Management will contact Homeowners who have not voted and if needed send a list to have Board members possibly assist to alert Homeowners to vote.
2. Election of Officers – Given that the annual meeting was not held there was no election for new Board officers.

**Item II - Open Forum:**

J. Ojerholm was in attendance to discuss the flooring repair at the unit from damage created by the sewer backup in the unit. Management discussed the list of vendors contacted by Silicon Valley Builders were the same list that Management would use except for one company, who often can find discontinued product. The Board would like to have one more bid for comparison. Management will contact the company and ask for a proposal. Mr. Ojerholm provided his schedule to coordinate an appointment for the vendor.

**Item III - Secretary's Report:**

1. Approval of Minutes - The Board reviewed the January 25, 2016 Board of Directors meeting minutes. The following correction was made: The unit number is missing for unit with the patio changes, it should reference Unit 630 4A. A motion was made (MM) seconded by (RF) and passed with a vote of four in favor and one abstention (MS) to approve the minutes as amended and presented.
2. Yearly calendar review - The Board reviewed their yearly calendar for the Association. As noted, the reconvened annual meeting will take place on Monday, March 21, 2016 with the monthly Board meeting to follow. The Board confirmed that a quorum of Board members are available for the monthly Board meeting.  
President Martel will alert Management if a rain gutter mini-cleaning is needed for March.

Management also discussed a night walk to view lights at the complex. The date of Wednesday, February 24, 2016 was selected at 6:00PM. Those Board Members that are available will join the meeting.