

Villages at Heritage Springs HOA
Town Hall FAQ
July 10, 2024

SURVEY BACKGROUND

After 3 weeks of encouraging members to participate, we received a total of 148 responses! Many hours went into compiling the responses and analyzing the data. The most common topics that came in the open-ended section were: Legal, Governance, Finance, and Community Maintenance which was reviewed at the Town Hall on July 10, 2024.

To further support our members, we are sharing a written FAQ to provide clarity surrounding these topics. We hope you find this information helpful.

LEGAL MATTERS

1. **Questions:** Questions have been raised about legal fees and their impact on our community funds. What actions are being taken regarding the ongoing lawsuit that's been raised? Is the HOA exploring options with its insurance coverage? Can the Board elaborate on the necessity of these expenditures and how these fees can be minimized going forward?

Answer: We understand that concerns about legal fees are important to our community, and we want to keep you informed about the steps we've taken.

- **Insurance Claim:** As soon as we were notified of the lawsuit, the HOA filed a claim with our insurance, which is standard procedure. Unfortunately, our claim was denied due to policy exclusions related to former board members and claims of breach of fiduciary duty. This means we had no choice but to engage legal counsel to represent the HOA in this matter.
- **Minimizing Costs:** We want to assure you that the Board is deeply committed to managing legal costs as effectively as possible. We are carefully evaluating every step of the litigation process and are only involving legal counsel when absolutely necessary. We're also actively exploring all possible avenues to recover any legal expenses incurred to keep costs down for our community.
- **Keeping You Informed:** For those who would like to stay updated on the case, you can find information under Case Number: 24NWCV00819 on [LACourt.org](https://lacourt.org) or visit [UniCourt](https://unicourt.com) for details.

We appreciate your patience and support as we navigate this situation. Our goal is to handle these challenges with efficiency while safeguarding our community's resources.

2. **Question:** Members have expressed concerns and have questions about breach of fiduciary duty. What constitutes a breach of fiduciary duty? What measures are being taken to mitigate this?

Answer: We're glad you asked about this very important topic. Understanding how the Board upholds its responsibilities is crucial for the health and future of our community. Let's start with what fiduciary duty means and how the Board has been dedicated to meeting these important obligations.

According to the law, there are two main components of fiduciary duty¹:

Duty of Care: This means Board members must diligently investigate and ask questions about everything from rules to finances before making decisions. We seek advice from experts and committees to ensure we're making the best choices for our community.

Duty of Loyalty involves:

1. *No Self-Dealing.* Directors cannot use their position to benefit themselves. They must act in the best interests of the association even if at the expense of their own interests. This includes steering contracts to family members or taking actions that result in personal benefits to the director at the expense of the association, including [embezzlement](#) of funds.
2. Avoid [Director Conflicts of Interest](#).
3. *Duty of Confidentiality.* Keeping confidential matters confidential.
4. *Duty to Preserve Common Areas.* Boards have a duty to protect, preserve and enhance the assets of the association.
5. *Duty to Support Board Decisions.* The duty of loyalty can extend to the support of board decisions. Because board members are entrusted with the money and property of the association they must avoid [conflicts of interest](#).

How These Duties Are Being Upheld

To give you confidence in our commitment, here's how the Board works to uphold these fiduciary duties:

- **Ethics Policy:** We have a strict ethics policy that prohibits any form of self-dealing and requires transparent practices.
- **Expert Guidance:** We rely on licensed and bonded vendors for expert advice and services, ensuring high standards for our community.

¹ www.davis-stirling.com/HOME/F/Fiduciary-Duties-of-California-HOA-Directors

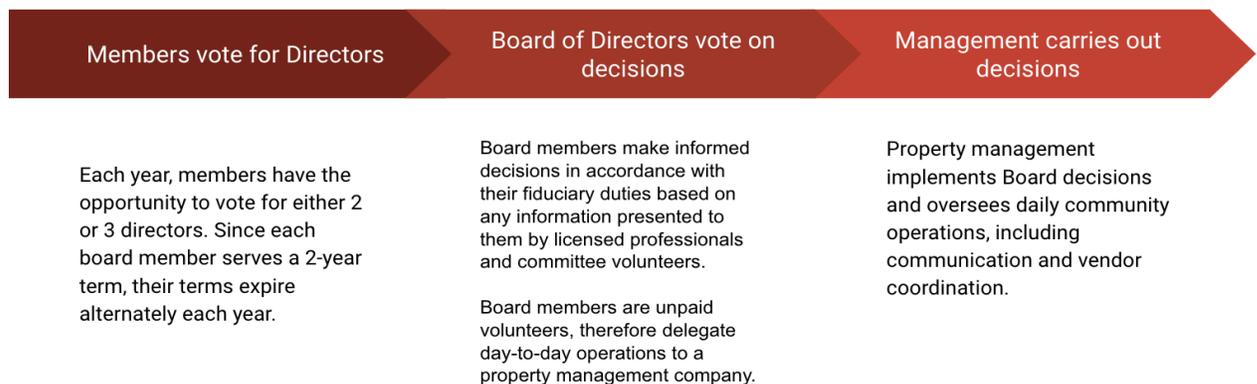
- **Board Training:** The Board elects to go through Board training every year to review roles and legal duties of directors and stay up to date on upcoming laws and regulations.
 - **Financial Oversight:** All checks require two signatures for added security, and we hold monthly Board meetings to review finances and address any issues.
 - **Community Focus:** We are dedicated to preserving and enhancing our common areas to ensure our community remains a wonderful place to live and maintain property values.
3. **Question:** Regarding the legal action against the HOA, how was the assessed amount of misappropriated funds determined? Could the Board provide any evidence?

Answer: As a part of their fiduciary duty, the Board approved to get a forensic audit² to determine if there was any misappropriation of HOA funds. All available association financial records were given from 2017-2020 to a certified fraud examiner, who concluded the amount misappropriated was \$192,201.34. The Board can certainly consider making the forensic audit available to members upon request.

GOVERNANCE

1. **Question:** Who makes the decisions in the community? Shouldn't all homeowners vote on things in the community?

Answer: The standard decision making process looks like this:



Some items like voting for Board Directors do require a membership vote. But requiring a vote for every business decision from every member would make caring for the

² Meeting minutes 4/3/2021

community very slow and expensive because it would require several costly election processes. Each election costs about \$4000 (with current postage rates).

Members may be able to participate in some of the decision making process by volunteering in a committee. Committees often provide advice to the Board, which are taken into consideration when making decisions at Board meetings on various issues. If you are interested in volunteering, please reach out to management.

2. **Question:** I received a letter about a special meeting. What is this special meeting for?

Answer: The special meeting has been called in accordance with our community's governing documents. These documents permit homeowners to submit a petition for the recall of the Board of Directors with or without cause.³ As a result, the HOA is following the required procedures outlined in our governing documents to comply with this petition and election process.⁴ The purpose of the special meeting is to address matters related to the petition and the potential recall of the Board of Directors.

The notification you received is part of our commitment to transparency and adherence to our community's governing rules. If you have any further questions about the special meeting or the recall process, please feel free to reach out to communication@optimumpm.com

3. **Question:** Why are Board meetings online and not in person?

Answer: Board meetings continue to remain online⁵ because we have found that it improves accessibility and increases participation as opposed to in person meetings.

Master HOA Board meetings are held monthly to ensure timely handling of business matters. We encourage members to join and stay informed. Meeting announcements are posted at the pool area, published in the monthly newsletters, and distributed via email links for all homeowners to access. Meeting minutes are also available for members in the owner's portal to review.

4. **Question:** There have been general complaints about individuals breaking the rules, ie: pool rule violations, late night noise disturbance, pet waste, car washing, etc. How can homeowners better understand the community rules and expectations?

³ Bylaws Articles 3.4

⁴ Bylaws Articles 4.9

⁵ AB 648 was signed into law on 9/22/23 allowing for HOAs to conduct virtual meetings

Answer: When living in an HOA, it is important to remember that all homeowners and residents are bound to the same rules within our governing documents. These rules are designed to maintain our community standards and create a pleasant living environment for everyone.

Our Community Handbook provides a concise summary of our governing documents and rules. It's a handy resource and is available to you in the owner's portal. Any violations of these rules can be reported through the owner's portal. For parking violations, please report them directly on www.patrol-one.com.

Any violation of rules will then follow the Violation And Fines Procedure outlined in the community handbook.

5. **Question:** There have been concerns raised about cyberbullying of residents in the community. What actions could be taken regarding cyberbullying on social media for the HOA?

Answer: This is unfortunate to hear. Residents' well-being in our community is important and incidents of cyberbullying should be reported by individuals to the respective social media platforms, its operators, and local law enforcement for appropriate action.

Since social media content reflects individual opinions, the Master HOA does not have governance over these platforms as it is not affiliated with or operating any official social media accounts.

For official information and updates from the Master HOA, please use our established communication channels such as emails, newsletters, and the owner's portal.

LANDSCAPING

1. **Question:** There is so much dog poop in the community. What can be done about this?

Answer: Pet owners have a responsibility to pick up after their own pets per our CC&R's⁶. To encourage responsible pet ownership, the Master HOA has provided pet waste bins, pet waste bags, and signs throughout the community reminding pet owners to pick up after their pets. If you witness any violations, you may report them through the owner's portal or kindly remind the pet owner to pick up after their own pets.

2. **Question:** Why are the dog waste bins always full?

⁶ CC&R Article 8.7

Answer: Dog waste bins are emptied once a week, usually every Friday. However, it has been observed that some individuals use these bins for personal trash disposal. To address this issue, we kindly ask homeowners to use their own trash bins for personal waste. The dog waste bins are provided as a courtesy specifically for pet waste, aiming to encourage responsible pet ownership and maintain a clean appearance throughout our community. Your cooperation in using these bins as intended is greatly appreciated.

3. **Question:** What kind of plants are selected for our community?

Answer: Our current landscaper, Harvest Landscaping, tested our soil and found that we have varying types of soils that affects our plants' ability to thrive. In response, they developed a plant palette consisting of plants that would be viable in our soil with compatible styles and watering needs. You can request to see the plant palette via the owner's portal.

To enhance numerous common areas where existing plants were not thriving, Harvest gave \$25,000 worth of plant material from their nursery to use throughout our community over these past 2 years. Some examples include the additional roses at the southeast corner of Garden Parkway and Heritage Springs Drive, redesigning and harmonizing plants at gate entrances for symmetry, introducing flowering plants such as garlic along walkways, and replacing mismatched plants with those from our designated plant palette in many common areas throughout the community, creating a more cohesive and aesthetically pleasing environment throughout our community.

4. **Question:** Why were certain plants, such as succulents, taken out throughout the community?

Answer: Not all were taken out of the community. Only the succulents with sharp thorns or poisonous sap, particularly those along walkways, were removed to ensure the safety of residents, visitors, and pets. The majority were relocated outside the community to fill in areas that had gaps in the landscaping and were better suited there away from high pedestrian traffic.

Generally, if a plant is removed, it is because it is either dead, dying, diseased, or posing a danger or damage to common areas.

Some examples of dangerous plants are the agaves which have spiky thorns or firestick plants that have a poisonous sap seen below.



7. **Question:** There are dry patches of grass in some areas and mold in other areas. Why is that? Are there alternative options, such as artificial turf?

Answer: Dry patches and mold in our grass can be caused by a few different factors, such as incorrect water settings, underlying irrigation issues, or pet activities. To tackle these concerns:

Water Audit: Harvest is conducting a comprehensive water audit to map out the irrigation stations for our community's common areas. This will help us fine-tune water usage and identify any problem areas more effectively.

Adjusting Sprinkler Settings: For the irrigation systems at individual homes, we encourage residents to adjust your sprinkler settings to match the seasonal weather needs. If you're unsure how to make these adjustments, please don't hesitate to reach out to management for assistance. Our landscapers can help!

Exploring Alternatives: While artificial turf can have health and environmental risks and isn't a viable option for us, we are exploring other exciting alternatives. For instance, we're piloting a new ground cover in the parkway along the west side of Garden Parkway and Fushia. This area will showcase a beautiful, low-maintenance solution with baby star jasmynes, which will eventually grow into a fragrant, flowering ground cover. This approach is gaining popularity in new communities across Southern California, like Whittier and Santa Fe Springs, and we're thrilled to bring this innovation to our own community!

Example of Baby Star Jasmine:

We hope these steps will enhance the beauty and health of our community's green spaces. Thank you for your patience and support as we work to improve our shared environment!



8. **Question:** What can be done about all the weeds growing in the community?

Answer: The Board addresses weed issues by approving an annual weed treatment plan with our landscapers. This treatment is applied before spring to minimize future weed growth. However, it's important to note that while this helps reduce weeds, it cannot completely eradicate them due to their deep roots and prolific seed production.

In addition to this, our landscapers follow the monthly rotation map to pull weeds from the community areas.

Owner Tip! *To further control weed growth on your property, try to pull weeds as soon as you see them. This prevents weeds from going to seed and spreading.*

9. **Questions regarding personal property:**

Since this survey was conducted anonymously, we're unable to address specific questions or comments about personal property directly from the survey responses.

Solution:

We want to make sure those get addressed, so please submit any areas of concern through the owner's portal for review. Our landscapers will assess what can be addressed within their scope of work. If additional clarification is required, the matter will be reviewed by the landscape committee during their monthly walkthroughs and inform the Board of any findings and recommendations, particularly if they involve fiscal impacts beyond the management threshold for day-to-day operations.

POOL

1. **Question:** Why was the pool closed for three months in the winter?

Answer: This is a great question and we can help provide some context. This past winter we were notified of a particularly rainy and wet season, which meant fewer residents would use the pool. With rising utility costs, closing the pool was a key consideration to keep expenses low as it is a common practice amongst other HOAs during off-peak seasons. Overall the closure was able to save the association close to \$30,000 in gas expenses year to date.

Looking ahead, we're happy to review and reconsider the pool schedule for the upcoming year to better meet everyone's needs.

Also, just a friendly reminder that bodily contaminants also can result in pool closures, therefore we respectfully ask patrons not to use the pool if you are sick with active

diarrhea to keep everyone safe and healthy. Thanks for your understanding and cooperation!

2. **Question:** Many residents do not follow the pool rules, and it affects the enjoyment of others. What can be done about that?

Answer: As previously mentioned⁷, it is essential for patrons and their visitors to respect one another and adhere to the rules for everyone's enjoyment and safety. Homeowners are regularly reminded of the pool rules through emails and newsletters. This summer, a pool monitor will be onsite for 8 hours from Fridays to Sundays until September 2nd to support enforcement. Residents who witness a violation can report it via the portal.

The HOA also respectfully asks those who use the pool to not urinate in the pool and children who are not toilet trained to wear proper swim diapers and additional protection. The pool is cleaned 3 times per week and the vendor will moderate chlorine level based on pool PH.

3. **Question:** There is trash left in the pool area and bins can be overflowing sometimes on summer weekends. The pool also sometimes has hair in it or dead bugs. What can be done about this?

Answer: We know that during the busy summer weekends, the pool area can get quite a bit of use, and that can sometimes lead to overflowing bins and more debris in the water.

Custodial service removes trash from the bins on Mondays, Wednesdays and Fridays. If you notice the bins are full, we kindly ask that you use your home trash bins for any waste to help keep things clean. We also ask that everyone please avoid adding personal trash from home to the pool area bins to prevent them from overflowing and to keep wildlife at bay.

As for the pool itself, high summer usage means there's more debris and insects can find their way in. But don't worry! The pool is cleaned and maintained three times a week to keep it sparkling and enjoyable for everyone.

We appreciate your help in keeping our pool area clean and looking forward to more fun days in the sun!

PLAYGROUND

1. **Question:** How often is the playground cleaned?

Answer: The playground and workout area are cleaned 3 days per week (Mon, Wed, Fri)

⁷ Town Hall FAQ Governance Question 4

2. **Question:** Can wood chips be changed to rubber surfaces and a shaded surface covering be installed?

Answer: This is a great suggestion and can be considered. Since these changes are considered capital improvements and would be an added component, they would need to be funded separately, possibly through a special assessment, and budgeted into our reserve study. Therefore, further discussion with the community is needed since this project would involve significant costs and must be budgeted in advance.

BASKETBALL COURTS

1. **Question:** Limited lights in the basketball court impact experience once it is dark. Can a timer be placed or more lights be added?

Answer: Our basketball court hours are from 8 AM to 8 PM, and the lights are set up with a timer to match these hours. This timer helps us respect community rules about usage times and noise levels.

2. **Question:** Replacement of nets can sometimes take a while—what can be done to expedite this?

Answer: To help us get those basketball nets replaced as quickly as possible, please submit a maintenance request through the owner's portal. Also, to extend the life of the nets, we kindly ask that players avoid hanging on them.

PARKING

1. **Parking Availability and Guest Parking:**

Question: What measures is the HOA considering to address the challenge of finding parking for residents and guests? Any chance the HOA can convert the vacant lots for parking expansion, as suggested by some residents?

Answer: The vacant lots are actually owned by Brightbern/WG Holdings, not the HOA, so we don't have the authority to use those spaces for parking expansion. We did try to adjust some red zones during the recent street slurry project to create more parking, but unfortunately, the SFS Fire Department did not approve those changes.

In the meantime, we encourage everyone to make the most of their garage spaces and driveways to help free up street parking for guests and other residents.

2. Parking Rules and Enforcement:

Question: How will the HOA ensure consistent enforcement of parking regulations, particularly concerning guest and long-term visitor parking? What steps are being taken to address residents using garages for storage instead of parking, impacting available parking for others?

Answer: Any parking violations can be reported directly to our parking vendor, Patrol One, on their website www.patrol-one.com. Click “Violation Reporting”

Question: Can anything be done about improperly parked or unsightly and/or damaged vehicles in public areas to maintain community aesthetics?

Answer: Our community handbook and CC&Rs⁸ outline parking and vehicular restrictions. Report any such concerns to our parking vendor, Patrol-One, on their website www.patrol-one.com, or you may report via the owner’s portal to management who can further investigate.

3. Permit System and Access:

Question: How does the HOA plan to make it easier for residents to obtain parking permits for guests and visitors and permit systems, especially for overnight guests?

Answer: To clarify some terminology:

- *Safelisting* is a way for resident’s to list their guests’ cars if they are staying overnight to prevent getting a citation or towed.
- *Parking permit* is an application process residents fill out to permit their car to park within the community to prevent getting a citation or towed.

Both of these requests can be submitted to Patrol One, at www.patrol-one.com, who has been the HOA’s parking vendor for 7 years and is very familiar with our parking rules and any permitting process.

⁸ CC&R Article 8.2

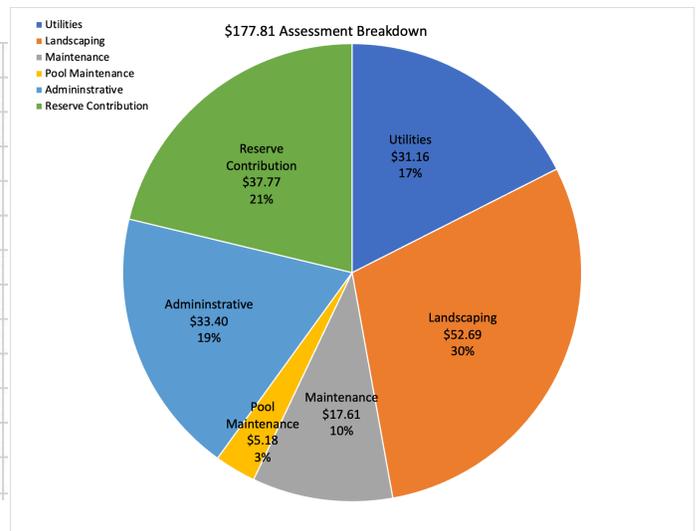
FINANCES

1. **Question:** How is the HOA money being managed?

Answer: The budget is the starting point for all financial management. The board reviews financials each month. Assessments are collected from homeowners (\$165) and MIRO apartments (\$12.81) for a total income of \$177.81 per unit., Assessments are broken down as follows, with approximately 79% of the funds going toward monthly operational expenses of the community, and 21% into reserves to fund future repairs.

Annual audits are also sent out to members to review in accordance with the law. Additionally, Board reviewed financials are available within the owner's portal for homeowner review.

INCOME		
Homeowner Assessments	\$165.00	93%
MIRO Assessments	\$12.81	7%
	\$177.81	
EXPENSES		
Utilities	\$31.16	17%
Landscaping	\$52.69	30%
Maintenance	\$17.61	10%
Pool Maintenance	\$5.18	3%
Administrative	\$33.40	19%
Reserve Contribution	\$37.77	21%
	\$177.81	



2. **Question:** How is the HOA managing its reserves and what plans are in place to seek return on investment opportunities?

Answer: The HOA manages its reserves by allocating approximately 21% of HOA assessments into a dedicated fund that is crucial for upcoming repairs and replacements as our community infrastructure ages. Currently, our reserve funds are securely held in a brokerage account, where they are invested in Certificates of Deposit (CDs) to generate interest returns.

Reserves are essential savings set aside each month to proactively address future maintenance needs due to natural wear and tear. Every year, a reserve study is conducted to assess the remaining useful life of the community's components. Recent projects such as painting gate entrances, resurfacing streets, and replastering the pool were funded through these reserves. Planning for future repairs and maintenance ensures we can continue maintaining and enhancing our community for years to come.

COMMUNITY MANAGEMENT

1. **Question:** Residents have voiced concerns about a recurring cockroach (water bug) problem during the summer months. Has the Board considered coordinating with city agencies or other entities to tackle this issue?

Answer: Water bugs are indeed more active in the summer evenings. Vector control services the community twice a year to address this. Please notify management through the owner's portal, providing pictures of where the issues may be located in the common area and they can notify the proper public service to have it further addressed. Please note that this service only pertains to common areas.

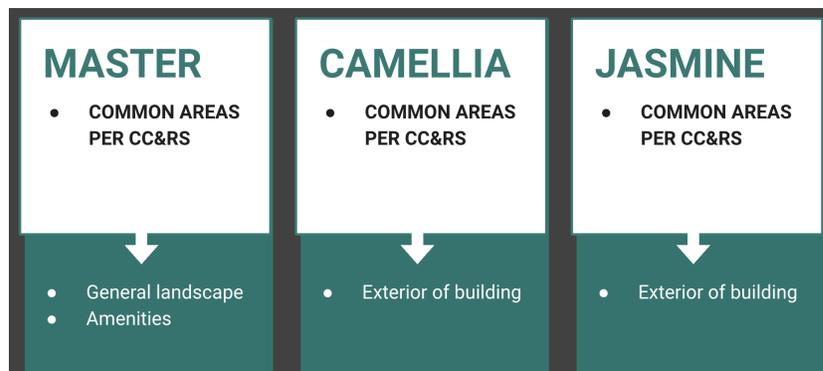
Owner Tip! *Spray a perimeter around your home once a month with bug spray and it may help keep pests away from your home.*

2. **Question:** Some residents have expressed concerns regarding speeding along certain parts of the community like Juniper Terrace and the type of speed bumps used in the community causing potential damage to vehicles. What are the Board's considerations regarding traffic calming measures in this area and potentially installing different types of speed bumps?

Answer: The Board can certainly consider adding more speed bumps throughout the community in areas where speeding is of concern. Regarding the type of speed bumps placed throughout the community, these are standard 4 inch speed bumps, advised by the paving vendors and approved by the fire department. Driving slowly over the speedbumps as intended for safety should not cause damage to vehicles.

3. **Question:** What measures are in place to address general maintenance in the community, such as the ongoing beeping issue in our buildings, fading color of homes, light outages. etc?

Answer: Maintenance responsibilities in our community are divided among three distinct HOAs: the Master HOA, Jasmine sub-association HOA, and Camellia sub-association HOA. Each HOA is tasked with maintaining different components as outlined in their respective governing documents.



The Master HOA oversees the upkeep of common areas specified in our CC&Rs, while the Jasmine and Camellia sub-associations are responsible for maintaining the common areas of attached units, such as the exteriors of buildings, as outlined in their CC&Rs. Specific concerns like beeping fire panels should be directed to the property manager of either the Camellia or Jasmine sub-associations.

For detached units, owners are responsible for maintaining the exterior of their unit, including painting and lights. Any exterior renovations require prior approval through an architectural review process. Owners can request an architectural request and other items like a paint palette through the owner's portal by contacting management.

When in doubt, you can always submit any maintenance concerns or requests through the owner's portal and Management can help direct or give guidance on your request appropriately.

4. **Question:** Regarding security concerns, can the Board provide details on the current security arrangements for the HOA, particularly given reports of insufficient visibility of security personnel?

Answer: Patrol One services the community for Parking Patrol and pool lock ups. They do not provide security patrol for the community. Though cameras are placed throughout the community and can act as a deterrent, the security of personal property is the responsibility of each homeowner for their property and guests per the CC&R's⁹.

For any suspicious activity, report to local law enforcement. Whittier Police Department ([562\) 567-9200](tel:5625679200), or call 9-1-1.

5. **Question:** Why was the onsite office, which assisted with services like fob and gate remote replacements, removed? What alternatives does the Board propose to facilitate resident services conveniently?

Answer: In 2020, the Board voted to remove the onsite office due to its high operational cost, amongst other reasons noted in minutes¹⁰. Currently owners may receive fob and gate remotes by making a request to management via the owner's portal, and delivery and receipt of items can be coordinated with the owner.

⁹ CC&R Article 19.5

¹⁰ Minute 12/7/2020

6. **Question:** Residents have shared that the management company is unresponsive to emails and calls. What can the Board do to improve communication and responsiveness from management?

Answer: We appreciate this feedback and understand that effective communication is important for everyone in our community. Since the Board members are volunteers, they outsource the day-to-day operations to Optimum Professional Property Management.

To ensure your requests are handled correctly, we recommend using the owner's portal for submitting requests, where an XN number will be attached to each request and tracked. Depending on what the request is, it will be routed to the appropriate department and addressed accordingly.

7. **Question:** Can the Board address the street at the gate entrances being faded, and sometimes the gate entrances not working?

Answer: The Board approved for a street vendor to recoat the stamped asphalt at the vehicle gate entryways¹¹ and is waiting for the work to be scheduled. Further notice will be provided to the community when the work will take place.

As for the gates, they get serviced quarterly for routine maintenance. If there are any issues with the gates, please submit a request to management through the owner's portal.

8. **Question:** Residents have expressed interest in more community events and social activities. Can the Board consider hiring an event planner to support this?

Answer: We love hearing that residents are excited about more community events and social activities! To explore this idea, we would need to consider budgeting and planning, as well as get feedback from the community due to the fiscal implications.

Currently, our Social Committee, made up of enthusiastic volunteers, works hard to organize a variety of events throughout the year, including the community yard sale, Halloween celebration, Christmas festivities, and summer socials. They also help with decorating the community and are always excited to welcome new volunteers.

If you're interested in joining this dedicated team and helping to plan future events, please reach out to our management team, who can connect you with the committee chair. We look forward to seeing new faces and ideas to make our community even more vibrant!

¹¹ Minutes 5/15/2024