## August 2019

The letter below was written before it was learned that there is a malicious coordinated effort underway to recall Michael Allan because Michael Allan sued the board to get documents he needs to fulfill his role as a board member. Michael Allan received the 2<sup>nd</sup> highest number of votes by us, the members, to be on the board and now, the recall group is trying to disregard our voices and undo our choice. Prior to the election when Michael Allan asked for documents i.e. minutes, or financial documents which all HOA members are entitled to Mike Umann HOA Board President said at an HOA meeting if you don't like it sue me.

**FACT**: Any homeowner can sue the HOA when the board fails to produce documents that we are legally entitled to upon request. This is California State Law. Is the current board going to keep withholding documents from us in spite of the law? Recalls cost time and money and divert focus from the real issues that our HOA is facing.

To Lake Lindero Home Owners

Dear Neighbors,

We know how hard it is to find the time to attend an HOA meeting. As your fellow homeowners, we have the same concerns as you - and we all want a financially secure, peaceful neighborhood, and well run HOA.

We are concerned that any mis-management of the Lake Lindero Homeowners Association could result in an escalation of dues, and/or a sudden emergency assessment.

Currently, the flow of information from the HOA is intermittent. Financial information and meeting minutes aren't posted on the password protected website, (<a href="www.Lakelinderohoa.com">www.Lakelinderohoa.com</a>), where each member in good standing should have the ability to access this information and not be unreasonably locked out by the whim of the board President.

Since many members cannot attend the meetings we have consolidated a list of the issues that every dues paying member needs to know.

We hope that you'll take the time to read this newsletter, and together we can build a unified, neighborly, kind and safe community for all the homeowners, and an HOA that listens to all of our concerns. Our intent is to unify, not divide, our fellow neighbors.

Recent meetings have dealt with the following issues:

- Lordon Management who manages the collecting of our dues and financial reporting distributed several items, including a copy of the financial report year-to-date 6/30/19 (more on that later) and a copy of the amendment to the declarations of the covenant, conditions, and restrictions (CC&R) for the LLHOA.
  - By way of background our <u>CC&Rs</u>, which are the laws for our HOA, are set to expire in November this year. We do not have an automatic 10-year renewal and is a major impact to the HOA. This potentially could see the dissolution of the HOA.
  - Lordon prepared an amendment that returned the CC&Rs to successive 10 year terms; which the board approved to be filed in the Court. Per Lordon this resolves the risk of the dissolution of our HOA.
- 2. Our <u>D&O liability insurance</u> coverage has changed in light of numerous lawsuits facing the HOA board of directors and employees.
- Our coverage was HALVED to \$1million from \$2 million and the deductible is now \$125,000.
- b. Our cost of the insurance has risen from \$6,000 to \$22,000, per year

- c. We were able to pay a premium to our old insurance provider to continue to cover any litigation that occurred during the time period that they held our policy.
- 3. At the June meeting board members Michael Allan and Hal Siegel were accused by Board President Mike Umann of giving information to GPL There is no evidence for this accusation against them, and at the July meeting Michael Allan asked for an apology none was given. Both Michael and Hal have been facing hostility from the three other board members since their election in May, including being blocked from receiving information they need to fulfill their elected roles.
- 4. There has still been no information regarding the compensation package or formal job description duties and responsibilities for the new CEO role. Chris Barone is the former board president who created the role of CEO last December and took up the role.
- 5. The HOA is facing several litigations. Some of which are against Chris Barone and some include the board and HOA. The publicly available records on the LA County Superior Court website are inserted below for your review. The HOA's defense legal fees are over \$70,000 already and mounting. Our insurance company is covering some legal defense fees and not others. The board has chosen to fund the defense fees for those not covered by our insurance.

#	Name	Case Type	Filing Date	Location
1	BARONE CHRISTOPHER	Civil Harassment Prevention	02/01/2019	Chatsworth Courthouse
2	BARONE CHRISTOPHER	Defamation (slander/libel) (Unlimited)	05/30/2019	Stanley Mosk Courthouse
3	BARONE CHRISTOPHER	Other Contract Dispute (not breach/insurance/fraud/negligence) (U	02/27/2019	Van Nuys Courthouse East
4	BARONE CHRISTOPHER	Other Real Property (not eminent domain, landlord/tenant, foreclo	07/18/2018	Van Nuys Courthouse East
5	BARONE CHRISTOPHER T.	Small Claims (Limited)	06/27/2019	Van Nuys Courthouse East
6	BARONE CHRISTOPHER TODD	Defamation (slander/libel) (Unlimited)	05/30/2019	Stanley Mosk Courthouse
7	BARONE CHRISTOPHER TODD	Intentional Bodily Injury/Property Damage/Wrongful Death (e.g., a	05/31/2019	Spring Street Courthouse

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	Name	Case Type	E				
#			Fillir	ng Date	Loca	tion	
1	LAKE LINDERO HOA ASSOCIATES COUNTRY CLUB	Small Claims (Limited)	02/	20/2019	luys thouse		
2	LAKE LINDERO HOA ASSOCIATION COUNTRY CLUB	Small Claims (Limited)	06/	27/2019		Van Nuys Courthouse East	
3	LAKE LINDERO HOMEOWNER'S ASSOCIATION A	Other Real Property (not eminent domain, landlord/tenant, foreclo	07/	18/2018		n Nuys urthouse it	
4	LAKE LINDERO HOMEOWNER'S ASSOCIATION A	Other Real Property (not eminent domain, landlord/tenant, foreclo	07/	18/2018	Van Nuys Courthouse East		
5	LAKE LINDERO HOMEOWNERS ASSOCIATION	Other Contract Dispute (not breach/insurance/fraud/negligence) (U	02/	27/2019	Van Nuys Courthouse East		
6	LAKE LINDERO HOMEOWNERS ASSOCIATION	Small Claims (Limited)	05/	23/2019	Van Nuys Courthouse East		
7	LAKE LINDERO HOMEOWNERS ASSOCIATION	Small Claims (Limited)	06/	18/2019	Van Nuys Courthouse East		
8	LAKE LINDERO HOMEOWNERS ASSOCIATION	Small Claims (Limited)	06/	18/2019	Van Nuys Courthouse East		
9	LAKE LINDERO HOMEOWNERS ASSOCIATION A CALIFORNIA CORPORATION	Other Breach of Contract/Warranty (not fraud or negligence) (Unli	08/	06/2018	Van Nuys Courthouse East		
0	LAKE LINDERO HOMEOWNERS ASSOCIATION A CALIFORNIA CORPORATION	Other Breach of Contract/Warranty (not fraud or negligence) (Unli		08/06/2018		Van Nu Courtho East	
1	LAKE LINDERO HOMEOWNERS ASSOCIATION A CALIFORNIA CORPORATION	Other Breach of Contract/Warranty (not fraud or negligence) (Unli		08/06/20		018 Van Nuys Courthou East	
12	LAKE LINDERO HOMEOWNERS ASSOCIATION AKA LAKE LINDERO COUNTRY CLUB AKA LAKE LINDERO COUNTRY CLUB & HOMEOWNERS ASSOCIATION	Defamation (slander/libel) (Unlimited	d)	05/30/2019		Stanley Mosk Courtho	

- 6. One of the cases relates to an altercation between Chris Barone and Marco Gonzales, following the abrupt closure of the restaurant on the club property. It resulted in Mr. Gonzales having injuries and filing a claim against Barone and the HOA. Mr. Gonzales, who is a local business owner, is also claiming for false representation after Chris posted 2 videos of the incident taken on his cell phone to YouTube under Lake Lindero Country Club. The incident was covered by Fox 11 news. Barone has refused to take down the videos citing his 'freedom of speech',., (re: 'freedom of speech' according to the Supreme Court decision 'Roth' vs The US, the First Amendment does not apply to obscene language, which this video contains).
  - NB it's not the first time Barone has used YouTube as a means of harassing a local resident. He filmed an HOA member and wrote defamatory comments about them on his You Tube channel. After some argument, he was eventually made to remove the malicious content by the HOA's attorney Zackary Levine.

The lawsuit filed by Marco Gonzales against Chris Barone and the HOA is in the amount of \$15 million. Should Mr. Gonzalez prevail in court, insurance does not cover damages

- 7. A homeowner who was denied driving range fees (which he pre-paid to previous management company GPL) sued in small claims court and won \$216 for the \$90 he was owed. The board will now honor driving range fees with keys and/or receipts.
- 8. The GPL lawsuit filed against both Chris Barone and our Homeowners Association alleges that Barone illegally hacked into GPL's email account, took privileged attorney/client communications and defamed David Smith to his business associates and friends. In addition the claim states that Barone was stalking GPL employees at their workplace in an attempt to intimidate them. We are all very concerned that Chris Barone's actions have exposed HOA members to a potentially huge financial liability in the event the court sides with GPL. The board has not adequately addressed our concerns over having Barone oversee ALL of our legal issues when he is directly the cause of several of them.
- 9. Former board member Judee White, who lost her place on the board in May's election, was hired by Chris as his 'executive assistant'. The board appeared to have no prior knowledge of this hiring.
- 10. Rick Bandini, a homeowner, generously loaned equipment for the golf course some of which was damaged. He has not yet been reimbursed for the loan. New equipment has been bought with money that was allocated to go into the reserve fund.
- 11. In June, a golf-course expert was introduced to homeowners as coming to take care of the greens. No mention has been given as to why they came to an abrupt end before July.
- 12. Mike Biglow, also a homeowner and licensed contractor, was asked by Barone to do demolition work in the HOA offices in February. Judee White acknowledged this was done on a handshake contract and no permits were pulled. They agreed to his fee of \$8500 which he reduced as a neighbor to \$6500. He completed the work he was asked to do. However, he still has not been paid despite being promised the check was 'in the mail' numerous times. He also agreed to reduce the late fee from 18% to 15%. The total outstanding is \$7400.
- 13. Lake obligations require the HOA to report that equal amounts of water coming in are going out June 1-Sept 30. Report of Licensee 2018 Report of Licensee for Application Number: A022046 /License Number: 009110 was filed 3 months late and it is not clear the numbers provided are real data collected or if we are properly collecting date for the current 2019 season. This report was signed by Judee White who is not an elected board member as required but hired as an assistant to Chris Barone. The numbers appear to be inconsistent when compared with 2017 Report of Licensee. There is also no current record that the Riparian Rights license report for 2018 has been filed. Failure to file reports on time or with inaccurate info puts us at risk of a max fine of \$500 dollars a day.

We will continue to keep you informed. Please share this information with other homeowners, and if you know anyone who would like to receive the updates then please send over their email address too. <a href="mailto:lakelinderoneighbor@gmail.com">lakelinderoneighbor@gmail.com</a>

The more we know the more we can make good decisions about our community. We are all homeowners and want a bright future for Lake Lindero.

Please join us at the next HOA meeting: August 21 at 7.30pm (They are always the 3<sup>rd</sup> Wednesday of the month @ 7:30pm)

Kind regards, Your Neighbors.