

RIVIERA HEIGHTS HOMEOWNERS' ASSOCIATION
3040 RIVIERA HEIGHTS DRIVE
KELSEYVILLE, CA., 95451

ANNUAL HOMEOWNERS' ASSOCIATION MEETING &
FIREWISE EVACUATION & EMERGENCY PREPAREDNESS PROGRAM,
JUNE 24, 2017

Board President Kathy Andre began the first portion of the meeting at 10:10am with announcement that all hand delivered ballots must be received by Election Director by 10:30am and then made the following introductions:

BOARD OF DIRECTORS:

Kathy Andre, President introduced the following Board Members
Susan McGurgan, Vice President
Elma Duncan, 2nd Vice President
Victoria Robinson, Treasurer
Barbara Meconi, Secretary

OTHERS PRESENT:

Jessica Johnson, Office Assistant
Stephen Stetzer, Code Enforcement
Julie Richardson, Inspector of Elections
John Meyer, Candidate for Board of Directors
Lynette Fishel-Dunbar, Candidate for Board of Directors

GUEST SPEAKERS:

Battalion Chief Sean O'Harah, CAL FIRE
Retired Battalion Chief Jim Comisky, (RHHA property fire risk inspector)

FIREWISE PORTION OF MEETING COMMENCES WITH GUEST SPEAKERS:

The focus of this program was on fire safety, evacuation and emergency preparedness. The following are highlights, as well as printed materials, were shared by CAL FIRE Battalion Chief Sean O'Harah and Retired Battalion Chief Jim Comisky:

- No mowing or weed whacking during peak summer temperatures
- Create Defensible Space Around Your Property
- Know the 4 exit routes out of Riviera Heights
- Evacuate Immediately – DO NOT WAIT
- Check Emergency Resources i.e., 911, CAL FIRE, Nixel Report, police scanner, etc. Get app for Smart Phone "Ready for Wildfire"
- Ready means having a Plan of Evacuation; Where to Meet, Who to Contact, etc.
- Have emergency survival kit packed and ready (one in car and one in house where it is easy to grab as you leave); should have water, food & resources for 72 hours

- Always have plenty of gas in car
- Have pet carriers ready
- Pack Meds, Insurance, Birth Certificates, important papers (remove from home safe)
- DO NOT PANIC – PANIC IS MAJOR PROBLEM
- Know your neighbors and help those with disabilities and help them to evacuate
- Practice being ready for an emergency
- Practice taking different exit routes from home
- If you are not able to exit via Soda Bay Road, get to the water or a marina.

Create defensible space in advance by removing fire fuels:

- clean gutters to stop sparks from spreading
- Make sure there are no flammable materials around your home
- No tree limbs overhanging your home
- Trees should be limbed up at least 6' from the ground

We cannot stress enough the importance of leaving immediately as soon as you are notified by emergency personnel or see a fire in your area. You will be lucky if you get a notification an hour in advance. Leave immediately as Soda Bay Road may quickly fill with traffic. After 30 minutes from receiving notice, if you do not leave, an evacuation may then become a rescue effort to save you. Trying to rescue residents takes emergency personnel away from putting out fires. People must take responsibility for themselves so that first responders can concentrate on putting out the fire. If you do not choose to evacuate you might become a victim, as first responders would likely not have time to come back to rescue you. A fire can burn 36 acres a minute.

In closing it is important to remember that if you have not cleared your lot or created defensible space around your home which contributes to the spread of fire, you can be held liable.

Firewise Meeting is adjourned at 10:25 AM

ANNUAL MEETING IS FORMALLY CALLED TO ORDER AT 10:25 AM:

ROLL CALL OF BOARD OF DIRECTORS - all current board members present

APPROVAL OF MINUTES:

The minutes of the meeting on May 3, 2017 were approved as submitted.

Kathy introduced the Inspector of Elections, Julie Richardson, Notary Public and RHH Homeowner. Julie will be conducting the counting of the ballots for the election of three Board Members.

BALLOT COUNTING:

At exactly 10:30 AM the Inspector of Election took the ballot box in the back office to begin counting the ballots. Jessica Johnson, Office Assistant, and homeowner Shirley Taucer, witnessed the counting.

ACCOUNT BALANCES: Read by Victoria Robinson, Treasurer

- Operating Checking: \$63,042.58
- Money Market Savings: \$19,041.11
- Fire Abatement Checking: \$2,288.56
- ARC Checking: \$25.00
- Reserve Checking: \$38,258.23
- Reserve Fund CD's: \$137,627.87

CASH COLLECTIONS JULY 1, 2016-MAY 31, 2017:

- Homeowner Assessments: \$210,114 (current & prior years)
- Total assessed July 1, 2016: \$ 208,008
- Late Fees: \$2,915

WATER UPDATE:

Lynette Fishel-Dunbar, Special Districts 20 Representative, reported that although two grants have been approved at the state level, both are still pending final approval and signature by Federal Government. Work on the water treatment plant refurbishment project cannot begin until both grants have been signed at the national level. Lynette reports that FEMA had recently come to inspect the four wooden water tanks that need replacing and are pending a separate grant approval. All projects are still in the approval pipeline.

PRESIDENT THANKS:

Kathy thanked all the current Board of Directors for their steadfast support, commitment, and volunteer hours to Riviera Heights HOA. She thanked the staff members Jessica Johnson, Justin Johnson, Bruce Kupferman, Sophie Sells and our new pool monitors for their hard work and dedication.

Kathy thanked Mary Terou, with Terou Business Services for all the improvements she has made to our accounting procedures and the handling of our finances and bookkeeping needs.

Volunteers Stephen Stetzer, Joe Magliocco, Gary Hill and Bob Duncan were also recognized for their contributions, as well as VIP members Ginny Potter, Kathy Meyer, Lou Ward, Rosalie Schmalz and Shirley Taucer.

INSPECTOR OF ELECTIONS MAKES ANNOUNCEMENT:

BALLOTS COUNTED:

Ballots were counted by the Inspector of Elections. Jessica Johnson, Office Assistant and homeowner, Shirley Taucer witnessed the counting of the ballots. The Inspector of Elections, Julie Richardson announced that **160 ballots** were received and approved. Four ballots were disqualified because they did not include the name and address of the homeowner on the return envelope. Four other ballots were disqualified because these homeowners were not in good standing with the Association.

As such, the Inspector of Elections determined that a 50% OF QUORUM REQUIRED WAS NOT REACHED: Of the 642 properties, 75 property owners are not in good standing because of monies outstanding due to the association for past dues, etc. and 1 property owner is not in good standing due to on-going

litigation, bringing RHHA to 562 eligible voters. Since we received 160 votes, we did not meet the required 50% quorum. As such, the meeting was adjourned at 11:45AM.

Per RHHA bylaws, THE ANNUAL MEETING WAS HELD AGAIN AND CALLED TO ORDER AT 11:50AM. It was announced by the Inspector of Elections that 160 votes were received, and the quorum requirement of 26% was met.

Meeting continues at 11:50AM

PRESIDENT'S REPORT & RECAP HIGHLIGHTS OF 2016/2017 FISCAL YEAR:

FIREWISE:

- RHHA achieved National Firewise Community Recognition for the first time
- Konocti Fire Fuel Interface Project underway in Riviera Heights
- CAL FIRE conducted fire risk/defensible space inspections in RHHA 80% of homes had no violations.
- Jim Comisky completed property inspections. Owners notified how property was rated.
- 16 Properties rated HIGH FIRE RISK
- 38 Properties rated MEDIUM FIRE RISK
- Remaining properties rated LOW RISK OR CLEAR
- Annual Chipper Day Event was highly successful. Over 85 homeowners participated.
- Marina was cleared of brush on both sides of road; Clubhouse was cleared and hill bank of Clubhouse thinned and cleared of weeds/brush. Three dead pine trees were cut down and removed at Clubhouse and one dead tree at the Marina.

COLLECTIONS:

A very successful collections program has been implemented. We hired part-time Collections Representative, Bruce Kupferman to collect past due homeowners' assessments, working with homeowners to bring their past due accounts current and to return to good standing within the RHHA community. Homeowners who have means to pay but refuse to do so will be taken to small claims court on our behalf after July 31, 2017 by Bruce. Thanks to Bruce, Bonnie Meconi, Mary Terou and Jessica Johnson for all the hard work that has been done in these collection efforts. We have collected approximately \$24,000 in the past 6 months and have payment plans set up with homeowners who continue to pay off their past due amounts.

ACCOUNTS RECEIVABLES:

In addition to the collections accounts, Mary Terou, Bruce Kupferman and Jessica Johnson, with Board support and approval, have worked very hard to identify and write off accounts that are uncollectible, bad debt, as advised by our CPA. These include accounts that have deceased homeowners, foreclosures, have sold to new owners but remained on the books under former owner's name, etc. There is no viable recourse for collecting monies from these accounts, some of which date back to 1996. To leave them on the books inflates and distorts the financial picture of the association and it is only prudent to clear these from the books.

RESERVE FUNDING:

We will meet our reserve funding commitment for the 2016/2017 fiscal year and will be transferring \$40,000 to our reserve fund by June 30, 2017.

At the end of last year 2015/2016 fiscal year, there was \$37,000 remaining in the Operating Checking Account. Being new to the Board we did not know that this money had to be transferred to the Reserve account by June 30, 2016 in order to count as that year's contribution. Of the \$37,000, approximately \$20,000 of this money was spent towards reserve expenditures, (new air conditioning/heating unit for the clubhouse, plumbing repairs, swimming pool heater, etc. The remaining \$17,000 will now be transferred from the Operating Account into the Reserve Account before year end closing. The reserve fund will then reimburse the operating budget for these expenses.

SEPARATE BOOKEEPING FOR OPERATING ACCOUNT AND RESERVE ACCOUNT:

Currently, as in the past, the RHHA Operating Account is mixed with the Reserve Account expenditures, meaning that reserve expenses are paid out of the operating budget and then reimbursed to the operating account by the reserve fund. Effective July 1, 2017, there will be two separate accounts, one for Operating expenditures and the other for Reserve expenditures. This will create a transparency of expenses and eliminate confusion regarding operating budget expenses vs reserve expenses, clarifying the entire bookkeeping process.

Importantly, the reserve account funding commitment will be put into the reserve fund at the beginning of the fiscal year once a good portion of membership dues have been paid, instead of at the end of the year, with whatever amount was left in the budget, as it was done in the past. This will also ensure that the reserve fund is healthy and available for future reserve expenditures. The RHHA reserve funding commitment for 2017/2018 is \$48,000.

RESERVE STUDY:

By law, associations are required to have a Reserve Study done every three years. The Reserve Study was conducted to help prepare for our association's major common area repair and replacement expenses over the next 30 years. We hired Association Reserves to do the Reserve Study for RHHA. This study has already proven a most useful tool for budget planning, as well as having replacement values established for the acts of vandalism we had this year at the Marina.

BANK ACCOUNTS:

We are opening additional bank accounts at West America Bank in Kelseyville. We will be transferring some monies from Umpqua Bank as part of this process. The purpose of this is to protect our money, as we exceeded the \$250,000 FDIC maximum insurance coverage for monies in one banking institution this year. By having two separate banks, we insure that our money is insured and protected by the FDIC.

LITIGATION:

RHHA is in on-going litigation with an RHHA Homeowner, which is a matter of public record, and to date, we have incurred attorney fees in the amount of \$9,531.89.

CLUBHOUSE:

- A new Mitsubishi Heating/AC System was installed by Jonas Energy, after the 28+ year old existing heating/AC System failed completely.

- A new Security Camera System was purchased to replace older, inoperable, existing surveillance equipment.
- Broken and rotted plumbing lines near the pool bathrooms were dug up and replaced with new lines by John Goss Backhoe & Sewer Company, eliminating costly plumbing problems plaguing the Association over the past years.

SWIMMING POOL:

- At the end of last Summer, and after numerous attempts to repair the pool heater, it had to be replaced. It was replaced with a high-efficiency commercial grade heater. The sand and gravel in the pool filtration system had not been replaced in years and caused filtration clogging problems. The filtration systems were cleaned and new sand/gravel put in.
- Due to cost considerations, we completed a more modest pool deck re-surfacing project than planned, completing most of the work in-house. The concrete deck surface was ground down and re-textured, old rotted wooden expansion joint slats were dug up, removed and replaced with tile; cemented-in-place benches and umbrella stands were removed creating more space for additional tables and chairs around the pool.
- Missing and broken tiles on the interior of the pool were replaced by Aqua Products.
- The large cover at the end of the pool was removed and additional umbrellas were added for shade.
- Justin Johnson and Sean Cabrera worked very hard on this project and did a great job. Thanks also to Don Andre for cutting the tile and assisting our staff with this project. We have received lots of positive feedback on the pool area.
- The Summer Pool Opening Day and Barbeque was a fun way to kick off the season. We had approximately 135+ homeowners attending. Thanks to Luciano Meconi for cooking great food and Don Andre for keeping the barbecue going. Thanks also to the Board of Directors, staff and the VIP's who helped setup, serve and clean.
- We welcomed our new pool monitors.

MARINA:

There were two separate acts of vandalism that occurred at the Marina this year. The first resulted in damage to the pier ramp, float, and pilings. The second act of vandalism was to the original water pump house located at the Marina causing the roof to cave and walls to bulge. State Farm insurance paid RHHA a total of \$22,416.58 on these two claims. RHHA has contracted with Clearlake Marine to build a stronger ramp, repair float, and replace pilings. We anticipate installation to begin shortly.

Electrical will be relocated from the water pump house to a new location at the Marina, and the pump house, which is obsolete and has been deemed hazardous. It will be torn down.

A Marina Committee has been formed, headed by volunteers Gary Hill and Bob Duncan, to determine a comprehensive plan for other necessary Marina improvements. A security camera system was also purchased and installed at the Marina in response to these vandalism issues and will provide needed surveillance of this area.

Our Firewise efforts will remain one of the priorities in 2017/2018, with more focus on fire breaks/clearing of common areas, working with owners to create defensible space around their homes,

and working with owners to clear their lots of brush, dead trees, etc. We will also be installing two Knox Boxes with the cooperation of the Kelseyville Fire Protection District.

Julie Richardson, Inspector of Elections, completed the compilation of votes and announced the Board of Directors Election results as follows:

RESULTS OF ELECTION ANNOUNCED:

Kathy Andre received 131 votes

Elma Duncan received 73 votes

Lynette Fishel-Dunbar received 71 votes

Barbara Meconi received 111 votes

John Meyer received 42 votes

Victoria Richardson received 1 vote

Larry Pennington received 2 votes

As such, Kathy Andre, Barbara (Bonnie) Meconi and Elma Duncan will remain on the Board and each serve a two-year term.

Kathy thanked Julie Richardson for her help in the election.

An Executive Meeting will follow the annual meeting so that Board Members may discuss and determine which Board Members will hold specific positions such as President, Vice President, etc.

The meeting was adjourned at 1:15PM

Minutes Respectfully Submitted by, Barbara Meconi, Secretary

Approved by, Kathy Andre, President _____

Next Monthly Board of Director's Meeting will be held Wednesday, August 2, 2017 at 2:00 PM.