

RIVIERA HEIGHTS HOMEOWNERS' ASSOCIATION
3140 RIVIERA HEIGHTS DRIVE
KELSEYVILLE, CA., 95451

MONTHLY HOMEOWNERS' MEETING MAY 3, 2017

CALL TO ORDER:

President Kathy Andre called the meeting to order at 2:10PM on May 3, 2017.

ROLL CALL:

Kathy Andre, President
Susan McGurgan, Vice President
Elma Duncan, 2nd Vice President
Victoria Robinson, Treasurer
Barbara Meconi, Secretary
Jessica Johnson, Office Assistant

APPROVAL OF MINUTES:

The minutes of April 3, 2017 were approved as presented.

ACCOUNT BALANCES were read by Jessica Johnson:

| | |
|--------------------|--------------|
| Operating Checking | \$ 93,162.00 |
| Money Market | 19,040.00 |
| Fire Abatement | 2,289.00 |
| ARC | 25.00 |
| Reserve Checking | 39,518.00 |

Reserve Fund CD's \$137,628.00

FINANCIAL REPORT:

The new bank account was established at West America Bank. This was done because the standard deposit insurance coverage by FDIC is \$250,000 for a single account.

The insurance payment in the amount of \$13,797 for the vandalism at the Marina was received and deposited into the operating checking account. It will be transferred into the reserve checking.

Kathy explained how the Profit & Loss Budget Performance and Balance sheet are reported on the accrual basis in order to maintain consistency with annual review reports. The spreadsheet is essentially a cash basis P&L taking the cash receipts and disbursements from the reconciled bank account registers and recording them in their corresponding income and expense accounts.

Through March 2017, accrual gross income is \$241,193 and expenses are \$155,027 resulting in a YTD net income of \$86,166. Total reserve expenses through March were \$43,002, which includes the reserve study, clubhouse building repairs, repair of the sewer lines, and the replacement of the pool heater and HVAC system in the clubhouse.

Cash basis total income through March is \$282,964 which included the transfer of \$50,346 from one of the reserve CD's (transferred to West America Bank) to the reserve checking account. Of the remaining YTD cash income, \$199,615 was from assessment payments for the current year and previous years. Almost \$3,650 in past-due assessment charges was collected in March. Cash operating expenses for this period were \$136,668.

COLLECTIONS:

Of the \$208,008 in assessments charged for 2016-2017 dues, and \$3,888 in late fees, a total of \$190,779 has been collected. This leaves an outstanding balance of \$21,117 of 2016-2017 receivables.

There were four ownership transfers recorded during the month. YTD there have been 22 property transfers.

2017/2018 BUDGET & RESERVE EXPENDITURES:

We have been looking into having the asphalt repaired in the clubhouse parking lot. There is one bid for \$46,000. Because of the many necessary expenses incurred this year, i.e. the new heating and air conditioning units, the new pool heater, new security system, repairing the sewer lines, the board has voted to put this expenditure on hold until next year.

NOTICE OF CANDIDACY FOR RHHA BOARD OF DIRECTORS:

The Notice of Candidacy form has been sent out to all homeowners. There are 3 positions open and 3 of the current Board Members (Kathy Andre, Barbara Meconi and Elma Duncan) are running again. If there are no new candidates for these positions, we will not have an election and our current board members will continue to serve in their current positions. If, on the other hand, we receive notice of additional candidates interested in running for the board, we will then hold an election. Ballots will be mailed out to all homeowners. An outside agency must be hired to count the ballots. This will be done in conjunction with our Annual Meeting.

DISCLOSURES:

The Board of Directors, along with Jessica Johnson, have been working very hard in getting the disclosures out by May 23rd. The disclosures must be sent out 30 to 90 days prior to the annual fiscal year. The 2017/2018 budget will be done on an accrual basis, per Davis Stirling. On accrual basis, we bill 642 properties at \$324.00 (annual dues), which total \$208,000 in accounts receivables.

According to Davis Sterling Section 5565, a copy of our Reserve Study must be included in the disclosures this year. Also, according to Davis Stirling, the following subjects must also be included in the disclosures:

Major Component Repairs:

This states that the board will defer, or not undertake, repairs or replacement of any major component with a remaining life of 30 years or less, including a justification for the deferral or decision not to undertake the repairs or replacement.

Anticipated Special Assessments:

This is a notification to homeowners as to whether one or more special assessments will be required to repair, replace, or restore any major component or to provide adequate reserves. If so, the statement shall set out the estimated amount, commencement date, and duration of the assessment.

Reserve Funding Mechanism:

A statement as to the mechanism or mechanisms by which reserves will be funded to repair or replace major components.

Outstanding Loans:

A statement as to whether the association has any outstanding loans with an original term of more than one year, including the payee, interest rate, amount outstanding, annual payment, and when the loan is scheduled to be retired.

Insurance Summary:

A summary of the association's insurance.

Assessment & Reserve Form:

This must be prepared pursuant to Section 5570 and must accompany each annual budget report or summary of the annual budget report.

Contact Information: Members must be notified of their obligation to provide the association with their contact information.

Architectural: Per Civil Code 5310

A summary of any requirements for association approval of a physical change to property, pursuant to Section 4765.

VIP UPDATE:

The VIP's report that they have approximately 50 reservations for their Mexican Fiesta to be held this Saturday, May 6th. Posting the event on our Nextdoor Riviera Blog may have helped spread the word.

FIREWISE UPDATE:

We have just received our Firewise signage and plaque from the State of California in recognition of Riviera Heights Homeowners' Association becoming a Firewise community.

Kathy announced that our fire inspections are underway. Jim Comisky is once again inspecting every property in the Riviera Heights. Thus far, only two homes have been tagged as a "high fire hazard." After Mr. Comisky inspects each property, he writes a report. Only medium or high fire danger properties will receive letters right away.

CHIPPER DAY:

Chipper Day will be held on June 8 & 9 this year.

EVACUATION SEMINAR:

Our Evacuation Seminar will be held on June 10th at 10:00Am. The meeting will focus on evacuation and the need for an evacuation plan, including a check list and evacuation kit.

FIRE HYDRANTS IN BUCKINGHAM:

8 new fire hydrants have been placed along Soda Bay Road in the Buckingham area near the Black Forest, which will potentially help to prevent the spread of fire in Riviera Heights.

PROPERTIES AUCTION OFF BY COUNTY:

For the first time in 3 years the County of Lake has placed three properties up for auction. Two of these properties are in Riviera Heights. They will be auctioned off on June 8th and June 12th at 8:00AM on the courthouse steps.

SPRING MIXER:

Kathy reported that the Spring Mixer was a success, and thanked all that attended.

SANDWICH BOARDS:

There was a short discussion on our current use of "sandwich boards" for notifying members of upcoming events and how difficult they are to read. The consensus of opinion was these boards should be replaced with some other type of message board that would be more legible. Kathy will take this under consideration.

SWIMMING POOL UPDATE:

We have been working very hard on getting the pool ready for the Board of Health pool inspection on May 8th and, of course for our opening day May 27th. Because the pool's deck was in serious need of resurfacing, the board voted to get bids for this work. Bids obtained ranged from \$17,500 to \$49,000 and due to budget considerations, the work will be done in-house. The pool deck was sanded down and replaced with a new skid proof surface texture. The rotted wooden slats were removed and replaced with tile (our thanks to Don Andre for volunteering his time and expertise) and put in the expansion joints in place of the wood. Also, our thanks to Jay Franz, a resident in Riviera Heights, who volunteered his time to help lay tile. Aqua Products came and replaced the broken tiles inside the pool. The old cement benches were removed, as well as the cement mounds that held the umbrellas in place. By removing the cement benches and mounds, we now have more seating capacity and flexibility.

POOL MONITORS:

Last week Jessica Johnson, office assistant, Sophie Sells, pool supervisor, along with the Board held interviews for pool monitors. This year we were in need of 3 new pool monitors. We are happy to report that out of the 5 applicants, 3 very capable applicants were chosen.

MARINA UPDATE:

We are still working to replace the pilings, ramp and float that were vandalized at the Marina. Clearlake Marine Construction is under consideration for this project. Currently, there may be some challenges with obtaining a permit for this work as Fish & Game has put a halt to pile driving except during the months of September through November. Fish & Game believe the vibration from the pile driving is killing the Hitch, which is an endangered fish species.

WATER UPDATE:

Lynette Fishel-Dunbar, Special Districts 20 representative reported that the State of California has been signed off on necessary grants to replace our existing water treatment plant. Approval of the 2 grants is now before the Federal Government awaiting final approval. The priority emergencies resulting from

the winter storms in California this year, is likely the reason that Federal approval of the grant process has slowed. Grant approval is still pending.

OPEN FORUM:

Rosalie Schmalz reported that the Water Department has been trying to figure out a way to stop the problem of squirrels boring holes in the water tank.

Our next meeting will be held on June 7th.

The meeting was adjourned at 3:35PM.

Minutes respectfully Submitted by Barbara Meconi, Secretary

Approved by Kathy Andre, President _____