

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

ANNUAL HOMEOWNERS' MEETING JUNE 30TH 2018

CALL TO ORDER:

The meeting was called to order at 10:05AM by President Kathy Andre. Board members were introduced. Marina Committee Members; Social Committee Members announced.

ROLL CALL:

Kathy Andre, President
Susan McGurgan, Vice-President
Barbara Meconi, Secretary

ABSENT:

Chris Welch, 2nd Vice President
Victoria Robinson, Treasurer

MINUTES:

The 2017 Annual Meeting minutes were approved as presented.

FINANCIAL REPORT: BANK BALANCES AS OF 6/27/18

• Operating Checking	\$ 47,445
• Money Market	19,047
• Fire Abatement	<u>1,589</u>
Total – Operating Accounts	\$ 68,081

• Umpqua Reserve Checking	\$ 38,760
• Westamerica Reserve Check.	107,833
• Reserve Fund CD	<u>100,894</u>
Total – Reserve Accounts	\$ 247,487

ARC: \$ 5,025 Deposit for Building 1 New Home

The balance of the Operating Checking account includes approximately \$29,900 in prepaid dues for the 2018/2019 fiscal year.

Cash receipts through May were \$240,349. Of this total \$208,518 has been collected in HOA Dues (the current year as well as prior years) with the remaining amount received for late charges, fines, transfer and escrow fees, miscellaneous income, and interest. As of June 27th, \$11,800 of the \$207,424 dues billed for 2017-2018 remains outstanding, representing a 94% collection rate this fiscal year.

On an accrual basis, year to date total income is \$242,958. Total expenses through May were \$202,936, resulting in net income of \$40,022. Preliminary results through June 27, 2018 indicate net income of \$21,000.

There were three property transfers in May with a total of 31 since July.

Annual invoices for 2018-2019 dues were mailed at the beginning of June and roughly \$30,000 has been received through June 20th. Late charges will be assessed on September 1st for unpaid balances.

BOARD OF DIRECTORS – ELECTION RESULTS:

This year, balloting for the election of Board of Directors vacancies was dispensed, as the number of qualified candidates was equal to the number of open Board seats, making this an uncontested election. There were two positions on the RHHA Board of Directors and two (2) Notice of Candidacy forms received from eligible members. One from current Board member Susan McGurgan and the second from current Board member, Victoria Robinson, each running for an additional two-year (2) term. Civil Code 5100 (a) requires balloting only if an election requires a vote. If the election is uncontested, there is no need for a vote. It also makes economic sense.

Prior to the election, the Board received a letter of resignation from Board Member Elma Duncan, who moved out of RHHA. Per Section 6.8 of the RHHA By-Laws, the Board voted unanimously to have homeowner Christopher Welch fill this position, which has a remaining one-year term.

BOARD MEMBERS INTRODUCED:

- Kathy Andre, President
- Susan McGurgan, Vice-President
- Christopher Welch, 2nd Vice-President
- Victoria Robinson, Treasurer
- Barbara Meconi, Secretary

STAFF MEMBERS:

- Jessica Johnson, Office Administrator
- Bruce Kupferman, Collections Representative
- Mary Terou of Terou Business, Bookkeeper
- Zach Villalobos, Grounds Keeper/Maintenance
- Sophie Sells, Swimming Pool Manager
- Pool Staff, Cory Johnson, Connor Molloy, Savanah Molloy, and Katie Terou

SOCIAL COMMITTEE MEMBERS INTRODUCED:

- Connie Lemon-Cosla
- Penelope Bent
- Debra Welch
- Lisa Turner
- Ginny Potter
- Kathryn Schley

MARINA COMMITTEE MEMBERS:

- Chris Welch
- Denny Renfrow
- Stuart Sobel

FIREWISE EVACUATION & EMERGENCY PREPAREDNESS PROGRAM: READY, SET, GO!!

GUEST SPEAKER:

Jim Comisky, Retired Battalion Chief San Mateo County; President, Board of Directors South Lake County Fire District, 2nd Vice President, FDAC and RHHA Property Fire Risk Inspector.

Sean O'Hara, Battalion Chief, Cal Fire, Sonoma, Lake and Napa, was to be another guest speaker; however, because of the current fires in Lake County he was unable to be here today.

Jim Comisky spoke on the importance of being prepared in the event of a wild fire. Following are highlights:

- BE READY – HAVE A FAMILY ESCAPE PLAN – AND PRACTICE IT
- FIRE DRILL PRACTICE IS IMPORTANT
- KNOW EVACUATION ROUTES
- IF EXIT ROADS ARE BLOCKED WITH TRAFFIC, TRY TO GET TO THE WATER'S EDGE
KNOW FAMILY MEETING PLACE IN THE EVENT OF SEPARATION
- POWER WILL BE OUT – KNOW HOW TO OPEN YOUR GARAGE DOOR MANUALLY
- STAY TUNED WITH NIXEL ON YOUR LOCAL RADIO AS THERE MAY NOT BE CELL SERVICE
- GET IN THE HABIT OF BACKING YOUR CAR IN YOUR GARAGE
- MAKE SURE YOU ALWAYS HAVE GAS IN YOUR CAR
- DO NOT STORE PLASTIC FURNITURE UNDER YOUR EAVES
- CLEAR AWAY FUEL OF HIGH GRASS, PINE NEEDLES & PINE CONES AS THEY SPREAD FIRE
- CUT DOWN DEAD TREES, KEEP GRASSES LOW
- PALM TREES, JUNIPERS, ARE VERY HIGH FIRE FUELS AND SHOULD BE REMOVED FROM AROUND HOUSE.
- BEFORE PLANTING CHECK WITH YOUR NURSERY FOR FIRE RESISTANT PLANTS
- ALWAYS WEED WHACK/MOW IN EARLY MORNINGS – NEVER IN THE HEAT OF THE DAY
- KNOW YOUR NEIGHBORS – HELP EACH OTHER IN THE EVENT OF EMERGENCY
- LIMB UP TREES
- CLEAR YOUR ROOF AND GUTTERS OF LEAVES AND DEBRIS
- MAINTAIN YOUR PROPERTY
- PACK MEDS, HARD-DRIVE, CASH, ANIMALS, PHOTOS
- IN EVENT OF EVACUATION, PACK BIRTH CERTIFICATES, INSURANCE POLICIES, IMPORTANT PAPERS.
- CHECK INSURANCE COVERAGE – MAKE SURE YOU HAVE ENOUGH COVERAGE
- DIGITIZE YOUR VALUABLES
- TAKE PHOTOS OF EACH ROOM IN HOME FOR INSURANCE PROOF.

REMEMBER, OUR DEFENSE AGENCIES WILL BE OVERWHELMED – WE MUST BE READY TO TAKE CARE OF OURSELVES AND EACH OTHER.

KFPD/CALFIRE/CALIFORNIA CONSERVATION CORP worked on the major Konocti Fire Fuel Interface project and removed large amounts of underbrush in the wilderness road area, downslope of Westridge/Westridge Circle, and behind Skyline. In the event of a fire, first responders will now be able to bring in equipment up the mountain to fight fires. Also included in this project were Clearlake Riviera, Riviera Heights and Riviera West. This was done to create a buffer from the top of Mt. Konocti through our Wilderness Road area.

Mr. Comisky said that our community is rated 10 (the highest fire rating) by the State Fire Insurance Department. Communities are rated by the amount of slope and the direction you live in. Fire rate complaints should be addressed to Mike McGuire and your Senator. If we could get our volunteer fire department back, this would help get our fire rates decreased.

Kathy thanked Mr. Comisky for taking the time to be our guest speaker today. She also thanked him for helping do our fire risk inspections again this year.

PRESIDENT'S REPORT:

FINANCIAL HEALTH OF RHHA ASSOCIATION:

For likely the first time in RHHA history, we had an operating budget surplus of approximately \$15,000 for the 2017/2018 fiscal year. The money surplus will be transferred to the RHHA Money Market Account, which provides a cash contingency/cushion. Revenue was higher than anticipated due to HOA delinquent account collections, as well as management of operating expenses.

Bruce Kuperman did an outstanding job in collecting delinquent HOA member accounts, bringing in \$50,695 since he began in June 2017. Many of these accounts had been delinquent for years. As of June 26, 2018, we had a 94% collection rate of HOA dues for the current fiscal year – the highest rate ever in RHHA history.

In addition, Bruce represented RHHA in four small claims court cases this year. This is the first time, we believe, that RHHA has ever taken any homeowner to small claims court for the collection of past dues. Following are those cases:

- 045-193-070 \$4,851.40 plus \$115.00 in court costs awarded to RHHA; actively pursuing collection of these monies from court judgement.
- 045-173-040 \$5,000.00 plus \$115.00 in court costs; owner filed motion to vacate and will Go to court again in July 2018 for settlement.
- 045-193-010 Small claims filed and court date set; owner paid \$1,250 to avoid further court Action.
- 045-193-030 Same as above; paying fine of \$1,250 (total of \$2,500 for both lots). Agreed to pay remaining balance by October 1, 2018.

Our thanks to Mary Terou and Jessica Johnson and to all Board Members for their help in collection efforts.

DUES INCREASED BY 3%:

HOA Dues were increased only 3% for the upcoming fiscal year of 2018/2019. Our goal is to implement only a small assessment increase each year, to help defray the increased costs of insurance, utilities, fire abatement and other operating expenses and to contribute adequately to our reserve fund. Also, we are experiencing a higher number of property mergers, which decrease HOA dues revenues.

RHHA CONTRIBUTION TO RESERVE FUND:

We have contributed \$48,000 to the Reserve Fund from the Operating Budget for 2017/2018 fiscal year, meeting 100% of our funding commitment.

RESERVE REPAIRS/EXPENSES:

Reserve repairs/expenses (mostly Marina & fire abatement) were \$41,214.89 for the fiscal year; we had a net increase in reserve funding of \$7,367.66 for the fiscal year. All expenses for reserve & operating are reflected in the operating budget.

ACCOUNTS RECEIVABLES AS OF JUNE 30, 2015:

As of June 30, 2015, accounts receivables were at \$224,600;

As of June 30, 2018, accounts receivables were down by \$102,180; reflecting a reduction of \$122,420 in the past three years. This is due to collection efforts and write-offs of uncollectible debts dating back over a span of about 20 years.

BUDGET FOR FISCAL YEAR 2018/2019:

The budget for fiscal year 2018/2019 was mailed out in our Annual Disclosures.

There are no planned special assessments for 2018/2019 fiscal year, (unless there is an emergency).

LITIGATION:

RHHA is in a pending civil action (Case #CV416956 with homeowner 045-272-190 (matter of public record) concerning alleged breach and enforcement of RHHA CC&R'S which is momentarily trailing another legal matter.

RHHA FIREWISE:

As a reminder, check your fire insurance, we had to increase the coverage on RHHA's assets as we were under insured for replacement of commercial structures (club house, etc.)

Chipper Days were held May 16th and 17th this year. Timberline Land Management cleared 82 properties.

The firebreak behind Westridge Drive was expanded to 140' downslope to Soda Bay Road. This work was done by Timberline Management; this project will continue next year.

Also cleared were weeds/grasses from fire break behind Evergreen Drive (down hill slope to Black Forest). We would like to expand the depth of this firebreak next year.

Weeds and high grasses were cleared on both sides of the Marina driveway as well as below the Clubhouse.

Our Firewise Committee is working year 'round, meeting approximately 3 times per month working with homeowners to address fire-risk assessments and also HOA common areas fire abatement.

In June, the Firewise committee worked with homeowners to clear an additional 31 properties of brush, weeds, grasses, limbing up trees, etc. to remove fire fuels and decrease fire risk. There are another 10-12 lots that are on vendor schedules to be cleared in July. We are also still working with multiple homeowners to clear their properties.

We would like to thank all homeowners who cleared their lots this year, as well as those homeowners who worked with RHHA firewise committee. For those property owners who have not come into compliance, fines have been and will continue to be assessed.

NO FIREWORKS ARE ALLOWED IN RHHA. If you see someone setting off fireworks, do not hesitate to call 911. A \$1,000 fine is applicable.

FIRE HYDRANTS:

Because of BOD member Chris Welch's efforts to insure our fire hydrants are working, and the blue reflectors back on our roads, Special Districts reports that they are now inspecting 10 hydrants a week in Special Districts 20, which includes Riviera Heights. There is a total of 53 hydrants in District 20.

ARC & CODE ENFORCEMENT:

We continue to work year 'round to enforce ARC & Code Enforcement rules and regulations, and again, thank owners who work with us to achieve compliance of CC&R violations.

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SOCIAL COMMITTEE:

The Board of Directors has formed a new RHHA Social Committee and new activities are being planned. A Mother's Day Tea was sponsored by Sophie's Day Spa, Sophie Sells (our pool supervisor), Jamie Sells (Sophie's mother) and Jessica Johnson (RHHA office manager). Thanks goes to Sophie, Jamie, and Jessica, for generously donating \$1,035 in event proceeds to the RHHA Children's' activities program.

MARINA COMMITTEE:

We have completed the tear down of the antiquated water pump house after the vandalism. Our insurance covered the cost of the tear down. The area has been repurposed for additional parking. The ramp/float/ladder is in in time for Summer. We are now addressing erosion problems at the Marina.

WATER UPDATE:

An update from County of Lake Special Districts regarding the water status for Riviera Heights and surrounding areas (district 20) was distributed at the annual meeting. In short summary:

*the water connection/hook up moratorium for District 20, mandated by the State of California, is still in effect.

*The State of California continues to seek grant funding sources for the refurbishment of Special District 20's water treatment plant.

*the State has finally funded the replacement of the ozone generators at the water treatment plant For Special Districts 20. Special Districts hopes to have them functioning by the first part of August 2018. This is an important pre-filtering process and will save water.

*Special Districts 20 has received Hazard Mitigation Grant Program funding for the replacement of four antiquated wooden water tanks located in Riviera Heights. Project is going out to bid to purchase and install four new stainless steel replacement tanks (that would not burn in a fire). The new tanks will also not leak as the old tanks currently do, saving water. Project is out for bid and targeted completion date is next summer (2019). Replacement of our current tanks is a major step forward.

*Once the Ozone and Tank projects are completed and the water these projects will save, Special Districts is hopeful that the State will be willing to review the current water connection/hook up moratorium and entertain the possibility of lifting it (instead of having to wait for the entire water treatment facility refurbishment.)

BOARD OF DIRECTORS GOALS FOR 2018/2019:

- Fire abatement of individual lots and common areas will continue to be a priority.
- We will continue with collections of past due homeowner accounts
- Reserve Funding Goal of \$48,000 for 2018/2019 fiscal year is to be at 62% of funding goal
- RHHA BY-LAWS & CC&R'S to be revised and updated (Committee volunteers needed)

RESERVE FUNDING EXPENSES for 2018/2019 fiscal year:

- Major costs are repair/asphalt replacement of Clubhouse Parking lot
- Fire Abatement efforts
- Marina Erosion Problem

The meeting was adjourned at 11:50 AM

Minutes Respectfully Submitted by Barbara Meconi, Secretary

Approved by Kathy Andre, President _____