

**RIVIERA HEIGHTS HOMEOWNERS' ASSOCIATION**

**BOARD OF DIRECTORS**

**MINUTES OF SEPTEMBER 7, 2016 HOMEOWNERS' MONTHLY MEETING**

**CALL TO ORDER:**

The meeting was called to order by President Kathy Andre

**ROLL CALL:**

Kathy Andre, President  
Susan McGurgan, Vice President  
Barbara Meconi, Secretary  
Victoria Robinson, Treasurer (Absent)

**OTHERS PRESENT:**

Jessica Johnson, Office Assistant  
Mary Terou, Bookkeeper  
Andre Ross, Ewing & Associates

**APPROVAL OF MINUTES:**

The minutes of August 3, 2016 meeting were approved as submitted.

**ACCOUNT BALANCES – read by Jessica Johnson as follows:**

- Operating Checking \$173,582.00
- Money Market \$19,036.00
- Fire Abatement \$2,289.00
- ARC \$55.00

**RESERVE FUND CD'S:**

- CD #0770 - \$50,223.00
- CD #7016 - \$36,734.00
- CD #9829 - \$100,894.00
- TOTAL \$187,851.00

**HOA DUES FOR 2016/2017 RECEIVED TO DATE:**

- Collected \$169,002.00 out of \$208,008.00 Assessed
- Outstanding \$39,006.00

**HOA DUES FOR 2015/2016:**

- Dues collected for the year 2015/2016 \$166,840.00
- Outstanding \$40,844.00

**PHELING & PHELING CPA'S**

The Board will have an opportunity to meet with Zach Pheling, our CPA, on Thursday, September 15, 2016 at the RHHA Club House to discuss accounting matters.

**DISCLOSURES:**

We will be sending out Disclosures the first week in October. A full-page summary of the Reserve Study will be included if we receive this from Reserve Associates prior to disclosure mailing.

**PERSONNEL:**

- Justin Johnson is back with us this coming Sunday after taking time off for an Engineering Internship in Willits. We are happy to have Justin back with us.
- Sophie Sells has been promoted to Pool Manager. Great job, Sophie!

**VIP UPDATES:**

The VIP's had no updates as of this time.

Iona Rigley will offer Yoga Classes at the Riviera Heights Club House soon.

- Yoga Instructor Iona Rigley will be starting classes within the next 2 weeks. She has 26 years of experience. The times will be Tuesday Mornings at 9:30 AM and Thursday evenings at 6:00 PM. Classes are open to RHHA members, who may bring a guest. There is no charge for the class; however, donations to the instructor will be appreciated. Iona Rigley has recently relocated to the Riviera Heights from Cobb. Many thanks to Iona for her contribution to RHHA members.

**MANAGER'S REPORT:**

- **RESERVE STUDY:** Board voted to hire Association Reserves of San Francisco to conduct our Reserve Study, required by law to be done at least every 3 years. A site inspection has been completed by Association Reserves and we are waiting for study results. Also, at the end of 2015/2016 there was \$37,739.94 left in the operating account, earmarked for reserve funding. pending our CPA's advisement based on the year-end financial report and Reserve Study.

**CODE ENFORCEMENT:**

- APN #045-273-190 On-going mediation
- APN #045-226-010 Feral Cat Population. Property being sold at auction in September, as owner is deceased.
- APN #045-233-020 Issue with dog off-leash resolved.
- APN #045-233-190 Dogs off-leash and running loose. The Board voted that property owner be assessed a fine.
- APN #045-223-020 with owners' cooperation, tenant issue regarding code enforcement has been resolved.
- RHHA received notice from two Homeowners' attacked by a dog last week while walking on Westridge Drive, resulting in one owner being bit. Lake County Animal Control was contacted. The Board will follow up with pet owner. Please be careful while you are out walking in the neighborhood.
- Recent Bear sighting reported on Evergreen Lane. Clear Lake Riviera and Buckingham residents have also reported bear and Mountain lion sightings in their HOA's. This is likely due to the displacement of wild animals after the Valley Fire destroyed their habitats.

**FIREWISE/FIRE ABATEMENT:** Board is still working with Lake County Planning and Code Enforcement departments to clear approximately 15 lots in RHHA; expected to start in October. Lots pose serious fire hazards and Property owners have not cooperated with RHHA to clear their properties. The County will clear the lot, and assess the owner's property tax bill for the cost of clearing. This is at no cost to RHHA, and is a result of a one-time County Program put forth after the Valley Fire.

- Bureau of Land Management will be cutting a firebreak in an area below Evergreen Drive and addressing fire abatement issues in the Black Forest.
- The Mt. Konocti Interface Fuel Break Project is now underway, creating fuel breaks in specific areas bordering the Riviera Heights.
- We are still working with owners on dead/dying tree removal. RHHA has one large dead tree at the Marina and another next to the Clubhouse parking lot; obtaining bids on tree removal.

**ARC:**

- APN #045-202-030: working with owner to resolve tenant issues and remove make shift deck cover
- APN #045-152-400: Application submitted for swimming pool approved after checking with County of Lake Special Districts. Owner may need to "truck in" water at his expense; this is up to Special Districts and not an RHHA issue.

**SWIMMING POOL:**

- Swimming pool heating element has to be replaced and parts are on order.
- As it is getting darker in the evenings, pool will now close at 7:00 PM instead of 8:00 PM. Pool will remain open as long as weather permits.
- There has been requests for "Lap Pool Hour" and "Water Aerobics Hour" for adults only beginning next season. We will be sending out a survey to our homeowners asking their opinion on this and other matters for the Board to consider.

**CLUBHOUSE :**

- Door handle at main entrance of Clubhouse repaired and ramp piece installed at door threshold to prevent trip and fall hazards
- Security Cameras – Board voted and approved bid from High Country Security to purchase and install Security surveillance/camera equipment at the Clubhouse and Marina. Installation will be done in next 3 weeks. Cost for Clubhouse: \$3,779.00; equipment has 3-year warranty. Cost for Marina: \$2,001.75.
- Benjamin Franklin Plumbing was called out due to serious problem with sewer lines at Club House caused by old pipes that are crumbling and have root intrusions at varying intervals. This problem has been ongoing for the past years, causing bathrooms at the pool and club house to back up. A clean out was added, and lines unplugged, enabling use of bathrooms. However, to fully resolve the issue we will need to either replace the old orangeberg pipe or possibly re-route and install new lines. Bids being obtained.
- **CLUBHOUSE RENTAL:** Cost for Clubhouse rental for special events by homeowners is still under discussion. The Board has compiled information from other area HOA's to do a comparison of their Club House rental procedures and fees.

- **HOA Tenant Rental Form** is being revised.
- **MARINA:** After obtaining bids on repairing/replacing ramp/float and piling that was damaged as a result of vandalism, the Board has awarded project to Aqua Marine Construction, Inc. of Lower Lake. Based on what was most cost-effective and reasonable, The Board voted to replace the ramp (using what was salvageable from the original ramp), re-install one piling and add a second piling for necessary support/stability and repair the lower float. The cost would be \$9,485.95, most of which is covered by insurance. Work will be done within next 3 weeks. All companies that came out and viewed the Marina to bid on this project highly recommended that we remove the float and ramp from the water in winter due to potential damage from wind, waves, currents and storms.

**FISCAL YEAR END FINANCIAL COMPARISONS:**

To address some homeowners' questions and dispel rumors regarding financial expenditures by the current HOA Board in the 2015/2016 fiscal year, the following comparisons were provided, as well as supporting documentation handouts:

**YEAR END CASH COMPARISONS:**

- Cash (including petty cash, checking account & money market account, at end of 2015/2016 fiscal year: \$37,740.
- Cash (including petty cash, checking account & money market account, end of 2014/2015: \$37,023.
- Cash (including petty cash, checking account & money market account, end of 2013/2014 the \$88,369

**YEAR END RESERVE FUND COMPARISONS:**

- 2015/2016 HOA Reserve Fund: \$187,850 (final figure pending Pheling CPA annual report)
- 2014/2015 HOA Reserve Fund had \$186,708
- 2013/2014\_HOA Reserve Fund had \$177,568

**YEAR END HOA ASSESSMENTS- ACTUAL/CASH BASIS (INCOME FROM ANNUAL MEMBERSHIP DUES** (includes all membership dues received for current year, and any monies received in that year for prior years)

- 2015/2016 - \$202,000 \*estimate pending year-end report from CPA
- 2014/2015 - \$202,428
- 2013/2014 - \$190,178

**YEAR END RESERVE FUND EXPENDITURES:**

- 2015/2016 - \$49,240 \*estimate pending year-end report from CPA; includes \$13,187 for skylight and flooring projects started in 2014/2015 and completed in 2015/2016; remaining \$36,053 were for repairs and issues addressing liability prevention such as trip/fall hazards.
- 2014/2015 - \$136,552 (\$84,852 in maintenance/Club House renovation and \$51,700 at Marina)
- 2013/2014 - \$13,712 (spent on swimming pool)

**YEAR END PAYROLL EXPENSE:**

- **2016 - \$99,795** \*pending year-end report by CPA. Payroll figure includes year-round office assistant position created in September 2015, necessary as Office Administrator went on vacation 5 months each year. With the recent resignations of the (1) Office Administrator and (2) Club House Manager/Maintenance Supervisor/Code Enforcement Officer/Fire Abatement officer, there will be a significant anticipated payroll reduction in 2016/2017. The Board will not replace the Office Administrator position, saving about \$30,000 per year. The second paid position of Club House Manager/Maintenance Supervisor, etc., is being done on a volunteer basis by the Board, saving an estimated \$15,000 - \$17,000 per year. The RHHA office will now operate year-round with staffing by an office assistant and part-time bookkeeper. As such, we anticipate an overall payroll reduction of approximately \$36,000 in 2016/2017.
- 2014/2015 - \$73,750
- 2013/2014 - \$71,715

**NET CASH FLOW FROM OPERATING ACTIVITIES:**

- 2015/2016 – pending final year-end report by CPA
- 2014/2015 - (\$42,206) \* the Association operated in the red
- 2013/2014 - \$56,107

**OPEN FORUM:**

Questions were asked and addressed from the membership at large, including such topics as collections, outstanding assessments dating back to 1997, security cameras, conflicts of interest of Board Members, etc. No voting action was required of the Board on topics discussed.

**MEETING ADJOURNED AT 4:30 PM**

**MINUTES RESPECTFULLY SUBMITTED BY:**

**Barbara Meconi, Secretary**

**APPROVED BY:**

**Kathy Andre, President**

