

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

MONTHLY HOMEOWNERS' MEETING WEDNESDAY, AUGUST 2, 2017

CALL TO ORDER:

President Kathy Andre called the meeting to order at 2:03PM, Wednesday August 2, 2017

ROLL CALL:

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

ABSENT:

Elma Duncan, 2<sup>nd</sup> Vice President  
Jessica Johnson, Office Manager

APPROVAL OF MINUTES:

The minutes of June 24, 2017 Annual Meeting were approved as read. There was no Monthly Meeting held in July 2017 since the annual meeting was held the prior week.

ACCOUNT BALANCES: (READ BY VICTORIA ROBINSON)

OPERATING CHECKING	\$ 90,470
MONEY MARKET	19,042
FIRE ABATEMENT	2,289
ARC	25
Umpqua RESERVE CHECKING	66,157
West America RESERVE CHECKING	22,498
RESERVE FUND CD'S	\$137,628

FINANCIAL REPORT:

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

ACCURAL BASIS:

For the period July 1, 2016 through June 30, 2017, accrual gross income is \$243,862 and expenses were \$272,928 resulting in a YTD net deficit of \$29,065. Total reserve expenses for the fiscal year were \$26,204, which accounts for 90% of the deficit.

#### CASH BASIS:

On a cash basis, total cash income for the year was \$272,973, which does not include the transfer of \$50,343 from one of the reserve CD's to the reserve checking account as shown on the cash-basis report. Of the YTD cash income \$218,224 was from assessment payments for the current year and previous years. Cash operating expenses were \$220,814.

#### RESERVE TRANSFERS FOR THE YEAR:

During the fiscal year 2016/2017, two reserve checking accounts were opened. The first was at Umpqua and it was funded initially with \$20,000 from the operating account as part of the reserve transfer that had been budgeted for 2015/2016. A reserve CD was also transferred into this new reserve checking account. In June, an additional \$17,000 was transferred into the new checking account for 2015/2016 and the budgeted \$40,000 for 2016/2017 was also transferred. The reserve account is now being used to pay for reserve repairs and operating funds used for reserve expenses have been reimbursed to the operating checking account.

#### ANNUAL RESERVE COMPARISONS:

The following figures reflect the amount in reserves at each fiscal year end.

2017 - \$226,283

2016 - \$187,851

2015 - \$187,708

2014 - \$177,568

#### ASSESSMENTS:

Of the \$208,008 dues assessments and \$3,888 in late fees charged for the 2016/2017 fiscal year, a total of \$193,558 has been collected thus far. This leaves an outstanding balance of \$18,337 of 2016/2017 receivables.

#### OWNERSHIP TRANSFERS:

There was one ownership transfer recorded in June. YTD there have been 32 property transfers.

#### COLLECTIBLES:

To date \$7,000 in past dues have been collected due to Bruce Kupferman, RHHA Collection Agent, and through the work of the Board of Directors who have volunteered their time setting up payment plans for those homeowners that have not paid their assessments in years. There are 75 homeowners that still have not paid their past homeowners' dues; however, we are working on getting this number down.

#### UNCOLLECTIBLE DEBT \$165,905:

This is bad debt that must be written off because there is no means of collecting the monies. Either the owner is deceased, the properties foreclosed, ownership changes transpired, and in other cases the homeowner was not given due process when billed. These bad debt/uncollectible accounts date back into 1995. It is with our CPA's approval that we are cleaning up these accounts receivables.

#### SMALL CLAIMS COURT:

Bruce Kuperfman will be taking 7 homeowners accounts to Small Claims Court to obtain judgments against them beginning in September. We have prioritized these accounts as those whose owners have the means of paying their past dues but refuse to do so. As we qualify additional accounts that meet the requirements for small claims court, we will continue to process.

#### PAYROLL EXPENSE COMPARISONS:

2013/2014 with the RHHA Office open only 7 months of the year, the payroll was \$73,750.

2015/2016 with the RHHA Office open only 7 months of the year, the payroll was \$101,000

2016/2017 with the RHHA Office opened all year long, the payroll was \$81,365. Which includes our part-time bookkeeper, Mary Terou of Terou Business Services.

#### HOA DUES:

As previously announced, RHHA signed up with Paylease, offering our homeowners' a convenient way of paying their dues online. We have had a great response from those homeowners' who have utilized this service.

#### EMPLOYEE UPDATE:

Justin Johnson will be leaving on August 17, 2017. We have placed an advertisement for a part-time maintenance and grounds keeper in the local newspaper, as well as posting the position on the "Nextdoor Riviera" Blog. Larger projects will be given to an outside landscape/maintenance company.

#### VIP UPDATE:

The VIP's report they have no up-coming events planned.

#### FIREWISE:

In order to insure fire safety in our area, we continue to work with our homeowners' whose lots are rated medium and high fire hazards. We are happy to report most property owners are cooperating with us.

#### FIRE FEE SUSPENDED:

Kathy called attention to the article in the Record Bee regarding the State of California's recent decision to suspend the yearly fire fee that homeowners had been obligated to pay. It will be suspended until 2030 as the fee of \$152.00 per year posed an additional burden on residents in rural areas.

#### CALFIRE:

Calfire has re-inspected all homes in Riviera Heights that had been previously cited for fire-safety violations. Homeowners have been reminded of the dangers of weed-whacking during the afternoon hours due to spark- risk danger. This is something that should take place in the early mornings or in cooler evenings only, when temperatures are not as high.

A neighboring homeowner reported two dying trees on Evergreen Drive. The owner of the property where the dying trees are located is deceased. As the trees are in the PG&E wires, Kathy will contact PG&E to see if we can have PG&E remove them.

Kathy brought attention to an elderly homeowner on Evergreen who needs help clearing her property but doesn't have the means to pay. If you'd like to volunteer to assist, please call the RHHA office.

As a reminder to our homeowners, the fire department suggests homeowners' purchase reflective address signs. They may be ordered directly from Kelseyville Fire Protection.

#### COLLECTION:

Bruce Kupferman has not only been a great help in collecting past dues, but has also helped to get homeowners to clear their lots. He recently got homeowner APN #045-172-140 to pay \$3,000. This covered the cost of clearing his lot, as well as paying his past and current dues.

#### CODE ENFORCEMENT:

APN #045-252-220 Tenant is clearing up items around exterior of house in response to complaints.

APN #045-273-190 On-going litigation

APN #045-142-030 Complaint of barking, aggressive, tethered dog. Owner has contacted tenant.

APN #045-151-230 Responded to complaint about barking dog and concern for homeowner's well-being. Issue resolved.

APN #045-183-260 Complaints about trash accumulation/working on cars/debris. Working with tenant to resolve problem.

APN #045-172-120 Complaint about RV on side of road. Owner contacted issue resolved.

#### CLUBHOUSE:

On-going investigation of Maintenance Shop break-in.

#### SWIMMING POOL:

Handrail covers have been ordered for the pool.

A complaint has been received regarding (1) the age limit for pool use and (2) not allowing children in the pool with swim diapers. Currently RHHA rule is children 4 years of age or under who are not potty trained are not allowed in the pool. The complainant pointed out that this rule it is illegal as it is considered age discrimination and violates the Fair Housing Act. Davis Stirling says you are not allowed to have an age limit on use of the pool (with the exception children 14 and under who must be accompanied by an adult). Kathy made a motion that we eliminate the age limit for those who use the pool. Bonnie seconded the motion. All Board members were in favor. We will revise our pool signage to reflect this change.

Swim Diapers are currently not allowed in the pool. This applies to anyone who is incontinent, children or adults. We do not allow swim diapers now because of the possibility of fecal leakage. The CDC has determined that swim diapers are not effective in preventing contamination. They refer to swim diapers as "Fecal Tea Bags" that do not prevent leakage of urine or diarrhea that can contain infection-causing germs. Kathy has done much research on the subject; however, since there are so many mixed messages on the subject, the board is seeking advice from legal counsel on this matter. At this time, anyone who is not potty trained or is incontinent is not allowed to use the swimming pool, even with swim diapers.

MARINA:

The float, new ramp and pilings have been installed by Clearlake Marine. The float and ramp will still need to be removed in fall/winter, as soon as the water becomes too rough. The winds and currents are too strong to protect the float and ramp from being damaged. The ramp/float will be reinstalled in the spring.

We received a report of a homeless person living in a “makeshift” shelter at the Marina, who was in possession of a samurai sword, waving it around. The sheriff was contacted and came out, located the “makeshift” shelter, found samurai swords, but the person was not located. They will continue to recheck the site and, when the person is located, the person will be evicted. The name of the person was provided to the Sheriff’s department and is known to law enforcement.

There was some discussion on what improvements could be done at the Marina. Kathy said that she had several conversations with the owners of the frontage road leading to the Marina. They seem to be in agreement toward moving the gate closer to the top of the road. We are also looking at additional lighting, security cameras, etc.

One of the homeowners asked if we could use some of the insurance money we received to pave the Marina Road.

Another homeowner asked about the possibilities of adding steps down to the beach area.

HOMEOWNERS’ INSURANCE:

Kathy said Jim Steel, Lake County Supervisor, has approached the State Insurance Commission regarding the possibility of lowering of the fire insurance rates for residents of Lake County. Riviera Heights has been hard-hit with rising insurance rates since the closure of the volunteer fire station located on Riviera Heights Drive. Homeowners are hoping Mr. Steel can help them in getting these rates reduced.

The meeting was adjourned at 3:30 PM

Minutes Respectfully Submitted by, Barbara Meconi, Secretary

Approved by Kathy Andre, President \_\_\_\_\_