

Meeting Minutes

Regular Meeting of the Board of Directors of the Rocky Ridge Properties Owners Association

Meeting Date: February 12, 2019

Location: Telephonic Meeting, with 1 director participating at
809 Margarita Avenue, Coronado, CA

Scheduled Meeting Time: Noon

Notice of Meeting: Bill (Yates) Bauder confirmed that he provided notice to the property owners of the board meeting in accordance with the requirements of the Association's Bylaws (e.g., by the means permitted by the Bylaws and with sufficient advance notice to comply with the Bylaws).

Quorum: Yates participated telephonically from the Rocky Ridge offices in Tahoe City. Director Bruce Shepherd participated telephonically from 809 Margarita Avenue in Coronado, CA. Directors Steve Dohrmann, Bob Schuchardt, Curt Sproul, Frank Pagliaro and Laura Bertone attended the meeting by teleconference from other locations. Accordingly, a quorum was present. President Dohrmann noted that Director Nick Farwell would not attend the meeting (given a conflict of which he previously had informed the board).

President Steve Dohrmann called the meeting to order at two minutes past noon.

1. **Approval of Minutes of December 21, 2018 Meeting.** The minutes of the December 21, 2018 board of directors meeting, in the form circulated to the directors prior to the February 12, 2019 meeting, were approved. Curt motion; Frank second; 6-0 vote.
2. **Property Manager's Report.** Yates reported briefly upon work performed since the last directors' meeting.
 - Yates noted that the recent snow storms have been the eclipsing focus of his team. The snowstorms have been particularly difficult to handle since they have been arriving on weekends (when Rocky Ridge is packed with homeowners and guests).
 - Yates added that he has nothing new to report about the Burton Creek tree removal project – he anticipates touching base with the State Park about this work later this Spring. He has not yet seen the paperwork to confirm that the State Park has put into place the appropriate insurance arrangements. He will confirm these arrangements before authorizing the State Park to commence work on the Rocky Ridge property.
 - Yates reported that to his knowledge there are no material remodeling projects in process with respect to any of the units at Rocky Ridge.
 - Yates reported that the new dumpster (to be used solely for cardboard boxes) is located in the vicinity of unit 49. He believes that homeowners have been respectful in using the dumpster for its intended purpose, and that the new dumpster has successfully lightened the load on the trash dumpsters.
3. **Financial Review.** In accordance with the dictates of the CC&R's and bylaws, the board reviewed the recent financial statements for the RRPOA (including statements indicating current liquid account balances, the expenditures during the recent reporting period, and the magnitude of those expenses relative to the association's budget). The board also discussed the following financial matters:

- Laura reported that she has reviewed the bank account statements for the most recent periods and concluded that they are in proper order.
- Laura noted that costs generally are being incurred in a manner consistent with the Association's budget as approved by the board, subject to the following:
 - Labor costs were below budget in January, since there was less snow than generally expected. Yates expects that the increased snow removal work in February will swallow up the January savings.
 - Insurance costs have come in above the amounts set forth in the budget for 2019, as noted below.

4. Insurance Issues.

- Laura is working with Mary Cushing to assemble a summary of the insurance procured by the Association. Laura will circulate that summary to the members, along with a brief description of the insurance that members should procure on their own with respect to their units so as to appropriately mesh with the coverage procured by the Association (it being understood that notwithstanding any such summary, the members will continue to be responsible for determining the scope of their own coverages).
- Laura is assessing whether to suggest a further increase in HOA dues at some point during the 2018-19 fiscal year, so as to cover the increased insurance costs which the Association has encountered for 2019. Laura will include a heads up to this effect with the insurance materials that will be circulated to the members.
- Given the difficulty experienced in 2018 in lining up firm insurance coverage proposals for 2019, the board determined to pursue insurance quotes for 2020 a little earlier in advance of the 2020 calendar year (i.e., earlier during the 2019 calendar year). The board also asked Yates to work with Rich Votaw at Farmers to provide a quote for 2020, so that the board will have competing quotes to assess.
- Curt noted that based upon his experience with other HOA's in California, he believes that the board should feel fortunate to have procured the insurance ultimately procured for the 2019 year, given the disruptions in the insurance market caused by the 2018 California fires.

5. Update as to Leases. Bob provided a brief summary of the status of the Association's leases.

- The Clauss lease has a term that runs through the end of 2019. The rent is \$1,806/month.
- The Laverde lease has a term that runs 10-31-21. The rent is \$746/month and increases on an annual basis by 3% on each November 1st.
- The O'Neal lease has a term that runs through June 30, 2021. The rent is \$2,143/month. The rent also is subject to annual percentage increase effective each July 1st.
- The sum of the current monthly rents under the three leases is \$4,695 per month.

6. Buoys. Yates will advise the members of the 2019 buoy process by the end of March, so that members can provide applications should they so desire. Bob reminded board members that this year there will be a TRPA fee for the buoys, in addition to the fee historically charged by the State Lands Commission. Laura confirmed that when she calculated the \$1400 buoy charge for members for 2019, she included an amount that she anticipates will be sufficient to cover both of the buoy fees (State Lands and TRPA).

7. **Operating Rules.** The board reviewed a revised draft of the operating rules that had been prepared by Curt. Curt fielded various comments from the board members and reported that he would circulate a revised draft of the operating rules that incorporate the changes as discussed by the board. Bruce moved that the board approve the operating rules, as so revised, and that the board further commit to circulating the operating rules to the members within 15 days. Bob seconded the motion. By unanimous vote the board approved the revised operating rules and directed Yates to so circulate them to the members. Under California law, the operating rules, as so circulated, will be adopted and effective unless they are objected to by at least 5% of the members within 30 days after the board approval (in which case the items objected to by the members will be subject to a further approval process before becoming effective). Curt will prepare a cover letter to accompany the operating rules so members can better understand the approval and adoption process.
8. **2019 Board Elections.** The board adopted [motion by Bruce; second by Bob; 6-0 vote] the following procedures and timeline for the 2019 board elections:
- Ray O’Neal was appointed as the inspector of elections for the election. Yates will confirm with Ray that he is willing to assume this role. Yates and Mary Cushing also will work with Ray to assist him with the tasks associated with the election.
 - Ray (with assistance from Yates and Mary) will send the members a notice with respect to the elections by May 1, 2019. The notice will describe the election process generally and will invite members that would like to run for a directorship position to notify Ray and Yates by 5:00 pm on June 28, 2019. The notices also shall advise members that candidates may submit a statement in support of their candidacy of up to 350 words.
 - Ray (with assistance from Yates and Mary) shall circulate ballots to the members (along with any candidate statements) by July 23, 2019. The instructions accompanying the ballots shall inform members that ballots must be submitted by 5:00 pm on August 30, 2019 in order to be counted as part of the election.
 - Ray (with assistance from Yates and Mary) will open and count the ballots at the homeowners meeting on August 31, 2019, and the prevailing candidates shall be announced at the end of that meeting.
9. **2019 Newsletter.** The board directed Bruce, as Secretary, to prepare a newsletter for circulation to the members in the Spring of 2019. The newsletter should cover the following topics (as well as any others which Yates believes may be helpful to operations): (a) insurance; (b) operating rules; (c) summer buoy process; (d) 2019 board of directors election; (e) new trash receptacle for cardboard boxes; (f) bears and trash; (g) remodeling rules reminders; (h) board meetings schedule; (i) Burton Creek tree removal project; (j) owner responsibility for water damage.

President Dohrmann adjourned the meeting at 1:04 p.m.

<u>Schedule for Future Board Meetings</u>	<u>Schedule for Future Homeowner/Member Meetings</u>
Tuesday 4-16-19 at Noon. Telephonic - Location TBD.	Saturday 8-31-19 at 11:00 am at the Rocky Ridge beach clubhouse
Tuesday 5-28-19 at Noon. Telephonic - Location TBD.	
Saturday 8-31-19 at 9:00 am. Location: Rocky Ridge beach clubhouse	
Tuesday 10-22-19 at Noon. Telephonic - Location TBD.	