

MOUNTAIN SHADOWS HOMEOWNERS ASSOCIATION

Annual Homeowners Meeting Minutes

October 25, 2014

Call to Order: President Wanda Elmore called the Annual Homeowners Meeting to order at 9:12 in the pavilion area of the complex. All owners without voting rights were excused from the meeting.

Approval of Minutes: The minutes of the October 26, 2013 Annual Homeowners Meeting were unanimously approved by a motion made, seconded and passed.

Introduction of Board of Directors in attendance: Wanda Elmore, President; Bill Oakland, Vice-President; Stone Fetterly, Treasurer; Celia Hart, Secretary; Judy Eaton; John Glatz; Ed Maiuro; Dick Ressler; and Bob Stolhand.

Community Association Financial Services (CAFS) Accounting Report: Doug Bothe of the firm presented the accounting report. The June 30, 2014 audit report has been completed and just approved; it will be sent to the homeowners soon. As of September 30, 2014 MSHOA had \$833,000 in assets. \$783,000 of that is in reserves/cash. We have \$ 59,000 in accounts receivable and over \$ 9,000 in operating income.

In 2012, the IRS ruled that excess dues monies cannot go to reserves but must be held in operating funds. Doug requested the Association rule on this. A motion was made, seconded, and unanimously approved that those monies be retained in the operating fund.

COMMITTEE REPORTS:

Wanda Elmore introduced the past Board members, original owners, and new owners. She also introduced Andres Garcia of Genuine Landscaping.

Treasurer's Report: Stone Fetterly told the owners that he had a three-year goal of having \$1,000,000 in reserves. We are now over \$800,000. Impacting our accounts payable are a \$ 13,000 windstorm that toppled trees and increased water costs. Five homeowners are currently on liens due to delinquent HOA dues; this has increased our legal costs. Our reserves are well invested; the CD's continue to do well.

Landscape Report: John Glatz said his job is really very easy as Andres, William, and Alfredo work so closely together. Grass is in good shape now but future is uncertain due to drought and increased water rates (up 25%). We are putting in drought-tolerant plants and cropping trees more closely. Additional expense was incurred to cut foliage back from the roofs in light of insurance concerns. The question was asked if we would continue with the desertscape. We have three more areas to do and will hope to complete them within the year. We cannot do them all at once due to cost considerations.

Security Report: Dick Ressler noted that we have had several incidents primarily vandalism of unlocked cars and homeless persons "dumpster diving" and using the pools. It is important to call security with any concerns; if no response, call the police. It was suggested that we put a log of the incidents on the website. Dick is still looking for options to better secure the pool exit gates from being able to reach over them and open the gate. Wanda brought up the concern with dogs at the pools and our need to remedy this due to health concerns.

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Insurance Report: Celia Hart advised there have been no claims made. She reminded the owners that our CC&Rs require that an owner carry insurance on the unit. There are a number of ways as an owner to help prevent damage to an owner's or neighbor's unit: turn off the water when you leave; do the same for the water heater. Check your water lines on a regular basis: this includes toilet supply lines, under sink lines, and washer lines. If an owner rents out a unit and the tenant does damage to another person or unit, it could be the owner's responsibility; another reason to carry insurance. Lew Cohen of Farmers Insurance discussed these topics more in detail and answered owners' insurance questions. A copy of his presentation is available in the office.

An owner discussed the local ordinances relating to unit rentals. Any rental for less than 28 days is subject to the Palm Springs room tax. The city is beginning to monitor this more aggressively. Total occupants cannot exceed the local ordinance for the unit size; the unit must be rented as a whole. Any rental agreement must be in writing. This is also required by our CC&Rs.

Pools Report: Judy Eaton pointed out that the pools are sparkling. The TSD levels in the pool cannot exceed 1500 ppm (at 2000 ppm the pool must be drained). It is therefore imperative that we abide by the pool rules. We are trying to stay ahead of pool furniture repairs. Bob Smith is attentive to keeping the furniture arranged and seeing that damaged furniture is removed. Regarding cabanas at the main pool, a lot of owners did not want them so at this time it is a matter of bringing your own shade umbrella if you wish.

Buildings and Architectural Report: Ed Maiuro reminded the owners that there are architectural standards for items such as patios, windows, and doors. We want to maintain a uniform look to the complex. There is a book of approved items in the office. It has been 10-12 years since we painted the complex so next year will likely be the time to redo all buildings, carports, walls, patios, gates and fences. It will probably be done on a one-building-per-week schedule.

Streets Report: Bob Stolhand commented that Asphalt MD did a good job of our slurry seal this year. And all cars were moved out of their way.

Old Business: Liens and Foreclosures: We have good legal representation who handles our liens expeditiously. Owners with liens have in the past requested that the legal fees be dismissed. The owner does owe them as it is the owner who has created the problem and the HOA's remedy is to lien the property. All liens must be cleared before sale of the property but most mortgage companies will not honor that lien.

New Business: New Gate Codes and Pedestrian Gate Keys: It was decided to change the codes and locks in light of the loss of keys by security. The security company's insurer is reimbursing all costs. JoAnn is issuing new keys and codes at present.

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Solar Heating for the Pools: We are constantly looking at the possibility of doing this. The currently available products would require new structures and is cost prohibitive.

Election Results: Bridget Nigh of CAFS as Inspector of Elections certified that a quorum of owners (104) had voted. Judy Eaton, Stone Fetterly, and Ed Maiuro were elected to new three-year terms. There was one write-in vote for Ken Mardian.

Miscellaneous Discussions:

There should be no glass at the pools.

Wanda summarized the incident of media on premises regarding water usage. The pools were drained on the annual schedule and with the approval of the city.

The Website is full of good information. If an owner has a question that is not addressed there, call the office rather than a Board member. JoAnn will be happy to get an answer or help solve a concern.

Currently there are two cars allowed per unit. The parking spaces include one covered and one uncovered.

As an owner who rents or is selling it is important to not give out the gate code to your rental manager or realtor.

The Board will continue to levy fines to owners who break the Rules and Regulations.

It was suggested that the CC&Rs do not allow weekend rentals. We need the citation if this is correct. And if so, the Board will enforce the CC&R.

All homeowners were invited to tonight's barbeque hosted by the Board. Social hour is at 4:30; dinner begins at 5:00. Set-up help is welcomed.

Adjournment: A motion was made, seconded, and unanimously approved to adjourn the meeting at 11:30am.

Our next Annual meeting will be held October 24, 2015 at 9:00am at the Mountain Shadows pavilion.

Respectfully submitted,

Celia Hart, Secretary