

## **BOARD APPROVAL PENDING**

### **Riverview Resort Owners Association Regular Board Meeting Minutes Tuesday, November 18, 2014**

Vice President Gene Clipperton called the meeting to order at 09:00 AM.

Present at the meeting: Gene Clipperton, Leo McMann, Traci Dahle, Larry Meier, Karen Schlichte, and Terry Oberst. Ed McKeon was absent.

Jennifer Myers, Administrator.

50 Association members.

#### **Board Update/Comments:**

Leo McMann gave an update on the new Club House roof project. We expect the final cost of the project to come in at \$333,000 to \$350,000. Details on how the project progressed were available at the meeting. Traci Dahle reported that the artificial grass in the dog park does not cause cancer. Someone was reporting that it did cause cancer.

Traci Dahle reported the annual Christmas parade will be December 7. Get your carts decorated.

#### **Comments to the Board:**

Pat Asbury, Lot 651 said the Board of Directors was inconsiderate to the line dancers by having a Board workshop in the Grand Room during their regular scheduled practice. She said she only received a days notice. Leo McMann noted the annual BOD budget workshop was posted a week in advance. She said she does not read the bulletin board. Leo also stated they could not have it on Tuesday because that was Veterans annual celebration.

Sandy Gaisbauer, Lot 567 wanted to know if the BOD looked at the Schedule. Traci Dahle responded we could not have it in another room since we have no idea how many members would be attending the open workshop.

Gerry Hartman, Lot 547 reported we need additional staff on the golf course. Rule of thumb for golf courses is one landscaper for 2 greens. We have one for 4 ½ greens.

Nancy Willson, Lot 247 announced the newcomers meeting at 2:00pm Dec 10, 2014 in the Pro Shop Lounge.

Gerry Hartman, Lot 547 reported we need a reliable Courtesy Officer vehicle. They put 7,500 miles a year on a vehicle – golf carts cannot withstand this mileage.

#### **Correspondence:**

Shirley Valencia & Jack Mackey, Lot 111 objecting to a new fountain on Kobe

Carol Johnson, Lot 94 inquiry as to why residents have to pay for cable

#### **Reports:**

##### **Administrator Jennifer Myers' reported:**

The roof project is almost done! Leo will report more on this project! We apologize for the inconveniences that it has caused, and we appreciate your patience.

The landscaping project behind the clubhouse is on the schedule to be completed during the month of December after the roof is finished and we get the skid steer.

Election time is approaching quickly. If you're interested in running for the Board of Directors, the election packets will be handed out December 1<sup>st</sup> through December 5<sup>th</sup>, and must be returned by December 12<sup>th</sup>. Election schedules are available in the office.

I would like to thank the Finance Committee for their work on the budget. Budget material for 2015 will be placed in your in house box if our records show that you are here. So, if you have not checked in with the office yet, please do so. If an owner is not here, the information will be mailed to them at the address we have on record.

### **Treasurer Report reported by Karen Schlichte.**

Our October month end reports are looking very positive. We are still watching our year end budget as our year is coming to a close.

HOA income has exceeded in some areas. Investment interest, vendor commission, tree trimming service sales, Internet income are leading the way. Water machine income has exceeded our YTD budgeted amount, just to name one in that category.

HOA utilities expenses are over budget by \$4,334.00 Some of our other expenses are over budget because of the installation of the back flow prevention system that was not in the budget.

With the assessment and investment interest of \$12,070.00 less expenses of \$175,109.83, our reserve balance is \$803,849.00. Those expenses were \$1,705.20 to Clear Circuit for the electric to prepare the roof for the air conditioners, \$4,950.00 for asphalt repairs, \$2,415.00 for removal of the old roof, \$65,200.63 for the air conditioners, and \$100,838.70 down payment for the new roof.

Golf course income has either met or exceeded projected revenue on almost all accounts. We have to remember we had a nice warm winter last year, and the income that the golf course generates relies on weather conditions. Personnel expenses are over budget as our part time maintenance employee is now working full time. Grounds care is under budget as expenses for grass seed and sand was less expensive as expected and other expenses were controlled or cost less. The 2014 budget for the golf course has always run in the red since owning the golf course. At the end of October our projected loss is \$29,209.00 better than expected.

As we begin to talk about our budget for 2015 you are thinking with everything looking so good why an increase in our HOA fees. With the budget process came all sorts of problems. The Finance Committee worked many hours on a project I could see was a no win situation. They were asked to do the impossible. In 2007 was the last increase of \$14.00 because we wanted to include Internet service for the whole resort. As some of you remember that failed miserably. We never lowered the dues so the past few years there has been enough money to do only what we needed to do. HOA fees have not been raised in the past six years except for the \$5.00 in 2012 to build the pickle ball courts. We have been heading into the baby boomer years for the past several years. Retirees are younger and better off financially. With this increase of residents buying in our resort came the need for more committees more requests to upgrade our resort, more addition of amenities.

Years ago the Finance Committee's main goal was to bring audit control in the office, encouraged the Board and the administrator to work out a budget and to increase the reserve balance to the suggested 85% of the total amount of our assets. They have accomplished this, but it has taken 10 years.

The problems as I see it. 2004 we purchased the golf course and became a business owner and over coming it's many problems. We failed to increase membership dues in six years. More requests for money from our committees. Think about the many improvements to our resort over the past few years and thanks to our committees for this. Our personnel expenses are increasing because of the Federal Mandated medical insurance (Obama care!) Which in researching found was very expensive and would not benefit our employees therefore they came up with medical reimbursement plan for up to \$300 per month or \$3,600 a year per our 13 full time employees. We also wanted to stop the turnover in employees and try and keep the good ones so they upgraded employee's pay to compete with the market place.

Volunteers have decreased therefore part time employees were made full time. One on the golf course

and one in the pro shop. More amenities to care for and our resort is at least 30 years old therefore more maintenance staff is needed to maintain assets. Many of these items could only be dealt with by the Board of directors therefore it was really unfair to have the Finance Committee work on a budget they had no authority to recommend. I for one would like to apologize to them for that.

I have been saying this for sometime. Our resort is having some major growing pains and it's a very difficult time. If you think being a Board member is an easy job, think again. We have a great staff and I feel we will weather this one out.

Someone mentioned to me that we needed a committee to lay out a long term plan and think about what will happen in the next 10 years that will effect our resort. Some of the issues we are dealing with right now may have been avoided if we had been thinking about the "what if" years ago.

### **Committee Reports**

**Pro Shop Committee.** Ken Dahle reported \$1,218 was raised for the Golf Cart path from the "When the Pigs Fly" fundraiser. They had three contest - Obstacle Putting – Chipping to Pigs – Chipping into a Floating Pig; followed by Dinner and 9 holes of night golfing. The Kokopelli golf player/statue was approved – will be paid for by golf course activities. Adopt a hole was not approved by the committee but if you would like to adopt a hole and keep the tee box and greens looking nice you can sign up with Lee at the Pro Shop. Next BBQ will be December 12. There will be a \$1 increase due to the rising cost of food.

**Election Committee.** Nancy Willson Board Candidates timeline -December 1 thru 5 pick up packets – return packets and get your application notarized by December 12 – Dec 15 ballot placement and photo's – Jan 9 Friday 2 pm Meet the Candidates in the Grand Room. Two Board vacancies must be filled. CC&R's have been Amended and Restated as the 7<sup>th</sup> Amended CC&R. This brings the CC&R's up to date with Arizona Statues . The whole document must pass as whole document were passed for the 5<sup>th</sup> and 6<sup>th</sup> Amended CC&R;s.

**Maintenance/Landscape Committee.** Dean Willson – metal artificial desert foliage has been ordered for the Kobe gate entrance – four trees are to be replanted – volunteers are needed on Friday January 9, 2015 for the annual barranca and outside the park wall cleanup, the L&M committee will fund lunch for the volunteers and significant in the Pro Shop – February 6, 2015 the committee will be turning the water valves on and off.

**Activities Committee –** Linda Sommerville reported they have bought two new Bunn Coffee units to replace the old worn out units. The Mohave High School Choir will be here Dec 1 at 7pm. Creating plans to do some upgrades in the pantry for storage. Committee approved funds of \$500 to replace cutting boards and utensils. Need volunteers to sign up – you do not have to work every event for a month.

**Safety and Security –** Carol Johnson reported we still need to get training classes scheduled for CPR and the AED units.

### **Approval of the Agenda:**

Karen Schlichte moved to approve the agenda. Terry Oberst seconded. The motion passed unanimously.

### **Approval of the Consent Agenda:**

The consent agenda included the Approval of the following:

Minutes of October 21, 2014 Regular Board Meeting

Agenda Item #14.11.01 approval of an Excused Absence for Ed McKeon

Agenda Item #14.11.02 approval to Remove Dave Lenske from the ACC

Larry Meier moved and Karen Schlichte seconded the motion to approve the consent agenda as presented. The motion passed unanimously.

## **Unfinished Business:**

### **New Business:**

Agenda Item #14.11.03 Leo McMann moved to approve resubmitting and placing the CC&R's on the 2015 Ballot Packet Karen Schlichte seconded. Motion passed unanimously.

Agenda Item #14.11.04 Leo McMann moved to approve deleting of By-Law articles 4.1.5 and 4.1.6 and submit the By-Laws in the 2015 Ballot Packet Karen Schlichte seconded. During the discussion it was noted you will be able to vote to approve or disapprove of each article. Motion passed unanimously.

Agenda Item #14.11.05 Karen Schlichte moved to approve the 2015 budget Terry Oberst seconded. To meet expected expenses for 2015 the HOA dues/fee will increase to \$175 a month effective January 1, 2015. Motion passed unanimously.

Agenda Item #14.11.06 Leo McMann moved to approve changing the Pro Shop Mission Statement. Karen Schlichte seconded. These changes were recommended by the Governing Documents Committee. Motion passed unanimously.

Agenda Item #14.11.07 Leo McMann moved to approve changing the Newsletter Mission Statement. Traci Dahle seconded. These changes were recommended by the Governing Documents Committee. Motion passed unanimously.

Agenda Item #14.11.08 Leo McMann moved to approve changing the Utility Facilities Policy. Traci Dahle seconded. These changes were recommended by the Governing Documents Committee. Karen amended the motion to approve the policy with the two References removed. Traci Dahle seconded. Motions passed unanimously.

### **Director's Comments:**

During the meeting many residents made comments that were not on the table at the time. These comments were – JJ Smith lot 230 maybe nobody wants to run for the Board of Directors because the BOD is intimidating; Gerry Harman Lot 547 credibility problems were in the past; Roger Wood Lot 396 get agenda out a week in advance (Leo McMann states our policy is to have agenda posted the Friday before the Tuesday BOD meeting); Roger suggested the Agenda be put in the newsletter; Ken Dahle said completing the Agenda is a very complicated process; Delma Turgeon congratulated the BOD for a good job; Linda Sommerville wanted to know if the BOD approves the budget – the answer is yes; Sally Clipperton spoke of the Budget Workshop – only 4 members in the audience; Gerry Hartman would like to volunteer to put the newsletter together; Delma Turgeon said Florence Cook used to do it and cannot do it anymore; Roger Wood is willing to help with the newsletter.

The majority of the discussions above were centered on the fact we are not getting volunteers to do activities. This could be due to the new generation of people coming into the park.

Karen Schlichte reminded everyone the need for recycling. Please no yard trimming and that even if you don't recycle please don't ruin it for those of us who do recycle. Put your garbage in the blue bins and not in the green ones as those of us who recycle want to keep those for that purpose. Janice Thompson lot 181 said take your recycle out of bags keep what you recycle loose or it gets thrown away.

### **Executive Session:**

Adjourned to executive session at 10:44

**Adjournment:**

Larry Meier moved and Terry Oberst seconded, to adjourn the meeting at 11:46AM. The meeting was adjourned.

Minutes attested to and respectfully submitted by:

Leo McMann, Association Secretary.

Corporate Seal

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