

Welcome to Sierra Springs owners Association 2018 Annual Meeting. Following this recap of the Association's past year we will be hearing from the Director of PG&E's Vegetation Management Program.

Today is Saturday, June 23rd, 2018. The time is 10:10 AM

Present are board members: Bill Campbell, Ray Van Asten, Linda Cox and myself, Cathy Petersen. Tom Jeanes has an excused absence.

The minutes of last year's annual board meeting are available for review. Would one of the board members make a motion to adopt those minutes from last year.

Motion made by Ray Van Asten 2nd by Bill Campbell All in favor: Motion carried.

First off, I would like to introduce members of the board which will be effective July 1st, 2018. They are: Bill Campbell, Donna Barrese, Linda Cox, Roger De Gray and Tom Jeanes. This board will be meeting within the next 10 days to discuss board positions. *Ask them to stand.*

Additionally, please welcome James Stark, our newest SSOA maintenance employee.

This is a relatively new board, with the longest serving member, Bill Campbell, having been on the board for the past two years. There may be a bit of a learning curve but I am excited that there is going to be new perspective and fresh ideas. My dealings with each of these individuals gives me great confidence that the association is in good hands.

Both myself and Ray Van Asten term out this month, which means that we can no longer serve as we have been on the board for the past 4 years. It has been my pleasure to have been on the board.

On behalf of the entire association I wish to thank Ray Van Asten for everything he has done for the association over the past 15 years. He has served tirelessly on the board numerous times and has brought a wealth of knowledge and common sense to the boards on which he has served. His perspective is usually right and his attention to items which most of us would fail to recognize as necessary has been invaluable. His dedication to the well-being of the association is unsurpassed.

Ray and his wife Dorothy are moving to Arizona. We wish them the best of luck. They will be missed.

Overall, the past 12 months were relatively quiet for the Association.

The purchases, services and events of the past year include:

- **Exterior painting of all the Buildings:** This included the pool house, pool sheds, maintenance garage, maintenance shed, clubhouse, rim joists, posts and wood under deck. Loose wood was screwed down and caulking was done where needed.

- A new **Camera Surveillance System** was purchased and will be installed in the near future.
- A **Wood Chipper** that attaches to the association tractor was purchased and has allowed the maintenance personnel to remove and chip fire fuels which has eliminated some of the need for outside vendors.
- **Roof repairs** were once again a part of the maintenance needs.
- **Asphalt Repairs** to non-county-maintained roads were about **\$75K**. Both **Parking Lots** were sealed. Cost was about **\$4,200**. The Roads will be evaluated again this summer to determine if further patches are necessary. Keeping up on these road repairs should extend the life of the roads and push the \$350K plus expense for slurry seal back a year or two.
- **Spring Area** of the **Meadow** was cleaned for the first time in many years.
- Some of the challenges that faced the Association this year include:
 - **Cancellation of our Insurance Policy** due to the high risk of fire. Our broker sent out requests to all carriers and all but one declined to quote. MUSIC (Mesa Underwriting Specialty Insurance Company) is our current carrier. In the past 5 years our insurance premiums have increased from \$14K to \$24K as a result of California forest Fires.
 - Another challenge: We found out that the **4 & 7-acre greenbelts were not titled to the association**. Due to an administrative oversight the original developer had not done the title transfer. Since this should have occurred 50 years ago, it was a lengthy and costly process, to the tune of about **9 months** and **\$10K**.
 - The **skim coat finish on the Wisteria Pool concrete retaining wall is peeling** and the **pool concrete** has issues. Multiple conversations and meetings with the general contractor have taken place. Pool has a 4-year warranty. If the fix proposals are not to the board's satisfaction by the end of July, the association will be forced to retain legal counsel.

Projects for the upcoming year include:

- Retaining Wall around the lodge pool
- Repair Sly Park entrance signage
- Wisteria Pool Bathroom Remodel.
- Road Repairs
- Discuss having Sheep in the meadow instead of mowing.
- Define 'Rules' for owner clarification re fences, sheds, RV parking and paint colors.

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Switching Gears: since Tom Jeans, the board treasurer has an excused absence, I will give you a breakdown of the association's finances.

We are in good shape. At the end of 2017 we transferred \$25K from the Operating Account to the Capital reserve account. Three years ago, as a result of the Wisteria Pool and other capital expenses, this Capital Reserve Account was over \$100K in the hole.

The Association expenses, with the exception of a couple of items, are within budget. It is expected that the association will be within budget for the 2018 year.

PG&E's new tier system has had a very negative impact on the Association's electrical bills. The Public Utility Commission changed the Tier levels from 1-4 Tiers to 1 & 2 tiers, a 3rd Tier "High Usage Charge" was charged to the association. The result, a \$1,955 electric bill for the Wisteria Pool which included a \$1,500 penalty charge for high usage. Last year, we had the same heat pumps, the same pool and the charges were a quarter of the cost. The immediate response was to call PG&E to try and figure out a solution and as none was readily available, the temperature in the pool will be turned down to about 78 degrees. Shelly and the board will be working to find a solution to the association being a 'residential' account.

Check Book Balances as of June 21st, 2018:

Operating Account: \$25,231

Capital Reserve: \$88,062

Forest Maint Fund: \$28,863

Debit Card: \$ 2,276

Road Fund: \$100,816 (Seacoast Bank) and \$250,483 in CD's with Edward Jones,
making the total Road Fund: **\$351,298.**

\$250,000 was transferred to Edward Jones and invested in 3,6,9, and 12 months rolling CDs. This allows the association funds to be protected under the FDIC regulations and gives the association about \$2,000 a year in previously unearned interest accruals. The quarterly rollover allows access to funds.

Once again, the biggest contributions of the past year were made by the 'Sierra Springs Regional Fire Safe Council'. These dedicated individuals, with Kay Campbell as the chairperson, made huge contributions to the Forest Maintenance and Fire Safety of Sierra Springs

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- Between the California Conservation Core and the \$50,000 Federal Grant they received, this group is responsible for over \$200,000 worth of work done within the association.
- The Fire Hydrants were painted and maintained and council members replaced the missing blue signs identifying the placement of the hydrants for emergency personnel. They are still waiting approval from the county to replace the missing signs on the county-maintained roads. *Thank you Les for all your hard work.*
- This group evaluated over half of the SSOA properties for compliance with the Fire Safety Rules, which they helped rewrite for owner clarification this year. Some of these properties required 4-5 inspections. Over 40 were scheduled for hearings. Not one owner showed up and currently over a dozen owners are being fined \$100 a month for violations.
- Over 1000 letters have been written.
- This group is going to begin evaluating this lower half of the properties this summer.

Saying thank you seems inadequate but we would like to express our gratitude to the following individuals, **Kay Campbell, Les Richards, Mike Reimers, Anne Thomas, Linda Corkery, and Nancy and Jim Olich.** There are so many others who have participated by attending meetings, participating with traffic control, etc. As soon as we adjourn this business meeting I will ask Kay Campbell to come up and provide an update on the council and their current projects. Kay will also be introducing Rebecca Daniels from PG&E's Vegetation Management Program.

Questions/Comments

Bill Campbell thanked Ray Van Asten for his hard work over the years. Bill also, thanked Cathy Petersen for her time served on the Board.

The time is 10:36 AM and I would like to make a motion to adjourn the meeting. Motion seconded by Ray Van Asten.

M/C/S Petersen/Van Asten