

Lake Forest Glen Homeowners Association
Annual Meeting of the Board of Directors
October 13, 2012 – 10:00 a.m.
Held at the Tahoe City PUD Board Room
221 Fairway Drive
Tahoe City, California 96145

MINUTES

1. **CONVENE/CALL TO ORDER** - President, Mark Pierpoint called the meeting to order at 10:10 a.m. A total of 6 directors were present and a total of 78 unit homeowners represented by ballot, proxy or in person establishing a quorum. Directors present were, Jim Cochrane, Alan Nelson, Marshall Jackson, Doug O'Neal, Mike Robinson and staff present Alan Miescke, General Manager and Carol Rainville, Administrative Assistant.
2. **APPROVAL OF 2011 ANNUAL MEETING MINUTES** – Marshall Jackson motioned to approve the minutes and it was seconded by homeowner Darcy Seals. The minutes were approved by a unanimous vote.
3. **PRESIDENT'S WELCOME, INTRODUCTION OF BOARD & STAFF AND REPORT**
Mark Pierpoint welcomed homeowners to the annual meeting. It has been a busy year and Mark brought everyone up to date on the last twelve months. Heartfelt thanks to Alan Miescke and the staff for their hard work in getting things done. Mark introduced the board members and the staff. He expressed his gratitude for all their work as board members and committee chair persons. Mark reminded everyone about the BBQ to be held at 1:30 today.

Mark Pierpoint gave a presentation of pictures and talked about the years it has taken to complete these Projects.

Roofing/Painting: The roof project is complete. The roof should last 20 to 25 years..

Flood Plain:

The flood plain/meadow project is completed. In the last three months, grasses have grown up and the meadow has started to look very good. FEMA sent us a letter stating that Lake Forest Glen is no longer in a flood plain. Flood insurance is no longer required. Mark shared the before and after pictures of the project. A map was also shared, showing the New FEMA Flood Plain, effective June 4, 2012. All homeowners received this same information from FEMA by mail.

Asphalt Replacement:

The first phase of asphalt has been completed. The weather allowed us an early start. Thanks to Alan Miescke and Steve Vanni who dedicated themselves to get this project along with the roofing and painting projects. The results speak for themselves. Paving will continue for another couple of years.

Outside Circle Drain Ditches:

The pictures of before and after the drainage project were shared. These drainage ditches help with the water run off and the “look and the feel” of the Glen. The ditches will help significantly with the “Best Management Practices” required by the Tahoe Regional Planning Agency. There is money in the reserves for LFG to complete the requirement. Alan Miescke, General Manager talked more about this project in more detail during his Managers Report to follow.

Landscape Improvements and Strategy:

Jim Cochrane told the homeowners that the front entrance has been completed with native plants, more rocks and a new drip system to conserve on water. Jim's presentation included a picture board, a binder with pictures with a description of each plant used and slides. The second phase of the landscape project will include the areas around the swimming pools and tennis courts. The 3,4 and 5th phases would include the front entry to each unit and the back entrance. Jim would like to use plants

with a lot of color. Jim and Alan Miescke will consider what to do with the back entry. A few Homeowners do not want to get rid of all the grass and other homeowners like the rocks. Native plants and scrubs will be used at the front entry of the units. A list of native plants to be used in front of your unit can be found at the HOA office. If you want to be a part of the Landscaping committee contact Jim Cochrane. His email address is jimcochrane@aol.com.

Circuit Breakers:

The original breaker panels in your units have been identified as fire risks. Over half of unit electrical panels have been updated. If you sell your unit, you will be responsible for the replacement of the breakers before escrow closes. The **deadline** to complete panels is **July 13, 2013**. If your unit panel is not done at that time the association will replace the breakers and bill the homeowner.

Mark said thank you to Jim Cochrane - Landscaping, Doug O'Neal - Architectural Standards and Alan Nelson – Rules and Regulations for all their hard work.

Mark expressed a thank you from the board to the homeowners for paying their dues in a time when economy is still slow. Total outstanding dues are still very low.

4. **NOMINATION COMMITTEE**

- A. Request for nominations from the floor – There were no requests from the homeowners.
- B. Introduction of candidates – Jim Cochrane, Doug O'Neal and Mike Robinson were introduced and they all spoke of their intentions to work with the homeowners, board members and all were enthusiastic about future projects.
- C. Voting for election of directors – The votes were counted and tabulated by the inspector, Marshall Jackson and two homeowners.

5. **GENERAL MANAGER'S REPORT** - Alan Miescke, General Manager

Key Projects in the Future - There are many sizeable projects on this list that are due to start in 2015 and those that are in the investigative stages such as storage lockers and BMP compliance. There is also a hopper list which include small projects such as completing the paver pathways around the pool which could be a community project, a BBQ at the Gazebo, etc.

Alan said the board has done a great job with the big projects and it is a pleasure to work with them. Alan thanked Carol for the great job she does. He has also been grateful for Juan and Pedro the young strong backs who do a lot!

Alan talked about some of the little things that he is concerned about and continues to monitor to prevent injury. These include shoveling roofs, providing north facing units environmentally safe ice melt, installing parking lights for safety, trimming scrubs for visibility at intersection, thinning and pruning trees for fire safety, foot path repairs behind units 221 to 224, welding strips on to the drop inlets so bikes do not get stuck, installing new red fire extinguisher boxes, testing fire extinguishers annually, and conducting chimney inspections done at the association's cost to prevent possible fires.

Alan suggests replacing all electrical outlets on the back decks with ground-fault circuit interrupter (GFCI) in the near future costing about \$45.00 each. LFG has a great history of no insurance claims which helps keep our insurance premiums down. Alan suggests a fall clean up for homeowners to clean up debris under their decks. Winterize and know where the water shut off is at your unit. Make sure your tenants know all the rules and regulations.

At this point, Alan fielded questions from the homeowners. There were many question/concerns/ideas. Homeowners were thankful that the pools were open longer this season. The homeowners were reminded that in an emergency Alan can be reached 24-7. There is always someone available by phone. It was suggested the front entry sign be updated. There were questions about the drainage project and about the timeline for finishing the asphalt. Alan explained that the south entrance up to about unit 49 will be done in the second phase and the rest of the asphalt up to the office and the maintenance shed and the units to the north will be completed in the third phase. There was a question about the budget item - life guard & spa monitoring- being a budget item? Alan explained that the wording needs to be changed. It is really budgeted for the weekend opening and closing of the pools/spa. The big trucks parking on the shoulder by

the fence are hard to see around and are a concern. Alan explained that they are temporary staging area for the road work being done on highway 89 south. It was suggested that we keep the two tennis courts and make one of the other courts into a pickle ball court (**Pickle-ball** is a cross between badminton, tennis, and ping-pong). Another suggestion was to put a hot tub at the family pool. Alan suggests that it be an above ground application and will look into it. There were questions again on the water bill. Mark Pierpoint explained the rate increases and what it pays for. These fees are fixed, with a bit of increase every year. The board is aware of leakage and is trying to get the PUD to fix these areas.

A homeowner wanted to know how correct expenditures will reduce the expenses in the future.

Landscaping is a good example of reducing expenses. Since the new drip system has been installed, we are saving money on the water expense. Another example is the roofing is now completed with a 25 year warranty. Another example is the fire insurance premium which is \$20,000 less than previous years.

In general, Alan's approach is to not just do maintenance but to eliminate cost by doing it right the first time. Many hours are spent in projecting costs for the future. The large infrastructure projects are done.

The sauna has been updated with a new wet sauna heater for everyone to enjoy. The spa has been resurfaced and it is warranted to last longer than the previous surface. The tennis courts usage is low. The extra courts could potentially be used for other activities.

6. FINANCIAL REPORT BY MIKE ROBINSON, TREASURER

- A. Review of 2011 Budget- The 2011 budget was discussed and all phases reviewed.
- B. 2012 Budget Draft Review- Mike and Alan Miescke have met many times to plan and work on the new budget. The budget uses 3 % inflation factor. Mike put together an excellent in-depth budget presentation and discussion with the homeowners. Charts and graphs were used to explain the budget. The goal is to provide prudent fiscal management and not to create future problems or special assessments. Mike explained budget challenges. A negative cash flow will occur during certain periods of the asphalt project. The board has barrowed \$60,000 from the window fund to help balance out the asphalt project costs. Mark explained to the homeowners that the window fund is held for windows that still need to be replaced from the Accent window claim.

A lot of "in house work" such as help with around the clock snow removal, pre-painting trim pieces/roof vents, buying roof materials in bulk, etc. have all helped to keep costs down.

After much discussion and figuring the board decided to increase the dues to \$307.00 a month so that future replacement costs can be maintained in the budget projections.

A homeowner complimented the board members and management on a job well done.

7. OPEN SESSION – Comments and Questions

The letter all homeowners received from the State Board of Equalization for the fire protection tax will need to be paid until further notice.

It was suggested (1) that the power point presentation be printed and handed out so that the numbers could more easily be read and (2) that the board consider suggestions for handicap access in to units. Mark said the board will take these ideas into consideration.

Porch repairs? Alan has a list of porches that need to be done. He has an epoxy material that will work for a patch, but it is difficult to work with. The board recommends that repairs be done in a consistent fashion using the best material for a long term fix.

Is our association in good shape so homeowners are able to refinance or get a loan on their property here at the Glen? Mark told the homeowners we are stable and in good shape. Mortgage companies hesitate to lend to bankrupt associations. Any issues or questions can be handled through the

LFGHOA office.

Are only homeowners allowed to have a dog? Mark explained that occupants are allowed to have 2 pets maximum in their unit with approval from the unit owner and that the new leash rules will be enforced. All dogs must be on a leash while in the common areas. A homeowner suggest putting a dog bag dispenser by the meadow.

There was some concern over items being placed in the common areas and under decks by renters. Alan Miescke and the board will deal with these issues directly with the offender. Homeowners need to let Alan or the board members know about these issues immediately.

Are there any ideas on how to keep animals from living under decks? Alan Miescke will talk with the homeowners and give them some ideas on prevention.

Is there a way to disguise/enclose the dumpsters and is there recycling? This topic has come up before and it could be reconsidered. You can recycle by putting recyclables in the blue bags which can be purchased at the grocery or hardware store. In the summer months there are recycle tubs by the maintenance shed that homeowners are allowed to use.

Will the tennis court changes be put up to a vote by the homeowners? The board is sensitive to the fact that these courts are an asset to LFG. The board could potentially have several different proposals for their use and yes, those would be put to a vote by the homeowners.

Are there any drinking fountains on the property and is there a chance that we could have one installed near the tennis courts? Mark will make note of this request and put it on the hopper list.

A homeowner was curious about enhanced compensation for employees, so they know their work is greatly appreciated. Mark addressed this by letting homeowners know that there are yearly bonuses that are provided for our employees. All of our employees have medical insurance as part of their compensation package. Compensation levels are checked annually according to what is reasonable. Alan Miescke stated that the board has been fair and he has no complaints.

It was suggested that a note be put on the agenda next year to please turn off all cell phones.

One homeowner asked if there was anything else that could be done to keep the skateboarders out of Lake Forest Glen? Alan has already taken care of this issue and the board and Alan will stay on top of this issue.

8. ELECTION RESULTS – Mark Pierpoint reports that all candidates are duly elected.

There were 3 candidates for 3 open seats.

Number of units: 234

Not eligible to vote: 0

Ballots cast: 78

Abstentions: 0

Voided ballots: 0

Jim Cochrane 76 elected

Doug O'Neal 73 elected

Mike Robinson 78 elected

Write-in(s): Jim Hansen

9. ADJOURNMENT- The meeting was adjourned at 12:35pm