

ANNUAL HOMEOWNERS MEETING

SEPTEMBER 19,2009

CARNELIAN WOODS TOWNHOUSE ASSOCIATION

TO: CARNELIAN WOODS TOWNHOUSE ASSOCIATION
FROM: ALEX LUKASH, BOARD SECRETARY
SUBJECT: ANNUAL HOMEOWNERS MEETING-**DRAFT ONLY**
DATE: SEPTEMBER 19, 2009
CC: HOMEOWNERS, BOARD MEMBERS AND PROJECT MANAGER

BOARD INTRODUCTIONS

Meeting opened at 1:05PM

President Lee Shuff introduced all board members present.. Joe Hubachek was absent.. A quorum was determined to be present. All committee titles were explained and members of the various committees were introduced. Mark Romeo, CWTA Board Attorney was present.

APPROVAL OF THE MINUTES OF 2008 ANNUAL MEETING

Motion to approve minutes by Unit 126, second Unit 110, motion carried to approve Homeowner Annual Meeting minutes of 2008.

RESULTS OF HOMEOWNERS SURVEY

A total of 47 responses were received; the results were as follows – on the question of how to rebuild the capital fund, 16 were in favor of assessment, 13 said dues, 8 said borrow, 10 were no preference or no response.

Agree or disagree on funding forestry work with dues – 42 agree, 5 disagree, 1 wanted a grant, 1 no response.

On the undeveloped lot issue – 32 wanted no development, 12 wanted development, 1 wanted to sell the lots, 2 no response.

The qualities wanted in a new project manager included experience and construction knowledge.

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TREASURER'S REPORT (Dave Sullivan)

Salaries were less than projected for the year, with Les Terry temporarily taking over as an interim, unpaid general manager. ..Administrative costs were up, primarily due to engineering costs associated with upcoming projects and attorney's fees associated with several delinquencies. A new policy is being implemented that anyone more than 30 days late on dues will receive a certified letter. Interior repair and vending income are up sharply. The overall expenditures vs. income for the year resulted in a net loss of \$2,900.

Projected increases for 2009-2010 include salaries, due to the eventual hiring of a new general manager for about 5 months of the 2010 year, an increase in professional consultation fees, and an increase in forestry funds. The sheriff's substation lease expires in May, 2010, so there may be a potential loss of income there.

CAPITAL EXPENDITURES 2008-09

Les Terry gave a brief history of the development of CWTA's capital fund, going back to Virgil Wright first developing it. Now, California law requires outsourcing the study every three years; this resulted in the number of capital items increasing from 22 to 42. The study examines money presently in the bank to money needed over 30 years. The outsourced study showed that CWTA was only funded at 8.8%, but this included the lodge deck, which we hope to fund through an assessment, and lodge and unit roofs which still have an estimated 15 year life span. Even though the 8.8% is only to be used as a disclosure vehicle in real estate transactions, it is still a weak position. An ideal position is in the 30-70% range. To achieve this, we need to contribute more funding, and fund the deck replacement through an assessment.

Unit #13 said that it is very difficult to look beyond a 10 year projection. Unit #131 asked about delinquencies – Mark Romeo explained our limitations.

Proposed capital expenditures for the 2009-2010 year total \$164,150.

The total proposed budget for 2009-2010 is \$546,570, with a dues increase of \$58/month/unit; this includes an extra \$27/month/unit allocated to the capital fund. A secret election was held; the proposed budget passed by a 63-4 vote margin.

SPECIAL ASSESSMENT ELECTION

The need for a special assessment to replace the lodge deck and siding and hot tubs was discussed. Even though \$102,000 was designated for deck replacement in last year's assessment, TRPA has determined that a repair is not permissible, and that the entire deck must be replaced. With our weak position in the capital fund, the board felt it was better to keep these funds in the capital fund for the time being. The deck is a potential liability to the Association and the spa deck is not up to code and may be shut down by Placer County, and the electrical to the spas is not up to code. The permit for the work is only good until 05-11, so, in reality, there is only one summer to complete the work. Because of this, the board felt

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that a loan that could be accessed as the funds were needed would work better than a staggered assessment. Even though current estimates for the work were \$467,000, the homeowners were asked for \$600,000 as a maximum, to eliminate any surprises.

There was a discussion period on the assessment, and whether or not to finance one if approved.

A brief recess was taken while Les Terry conducted a tour and pointed out defects and work that needed to be done.

A secret election was held on the assessment – 5 inspectors, with guidance from Mark Romeo counted the ballots. The final results were 63-4 in favor of a \$600,000 special assessment to replace the lodge deck and siding, including all associated costs and permits. By a 34-29 vote, the homeowners present favored financing the assessment vs. a staggered assessment.

INSURANCE COMMITTEE (Les Shuff)

Rates continue to go down with completion of forestry projects.

ARCHITECTURAL COMMITTEE (CARY OKUMURA)

Architectural/control committee has established policy to make changes to units, paperwork, permits, and acceptable standards now in place. CWTA wants to retain continuity of the architecture of the project.

It is necessary to replace siding when replacing windows; otherwise, the costs of any water damage transfers to the association. 2 documents need to be filled out and submitted. Unit #132 asked that this policy be re-examined, and the board will look at it.

Both the homeowner and the contractor doing any work need liability insurance.

Anyone wishing to place a satellite dish must fill out an application, submit a picture of the placement, and give this to the architectural committee.

GOVERNMENT AGENCIES (GEOFF SIMCOE)

The State of Nevada has helped fund our forestry grants through the Nevada Fire Safe Council.

UNDEVELOPED LOTS (CRAIG THOMAS)

An agreement has been reached with Placer County allowing CWTA to consolidate 123 undeveloped lots into 14 parcels.; the 123 lots do retain their original legal descriptions and each of the undeveloped

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lots still retain all of their coverage and building rights within the basin. Because of this tax consolidation, CWTA will save approximately \$10,000 on Measure A School Taxes. This does not affect the property taxes due on these lots since the total size of the 14 equals the total size of the original 123. It also does not answer the long term question of what to do with these lots, if anything.

FORESTRY COMMITTEE (RUTH DWORSKY)

Carnelian Woods Contains 3 types of forest areas

1. Open land which was thinned and masticated last year. All contractors have been paid in full, partly with a special assessment, partly through a grant.
2. Carnelian Creek Area cleanup will start 9-21. The fire department will hand cut 12-14 acres. Some trimmings will be chipped, some sent to a biomass plant in Loyalton, Ca. The cost is shared through a \$40,000 grant to the fire department, with CWTA contributing \$6,000.
3. Defensible space around units – a 30 foot area around townhomes needs to be cleared of pine needles and low tree limbs. A 100 foot area needs to be addressed for fire hazards.

SECURITY COMMITTEE (LES TERRY)

New parking stickers are being issued today . Parking permit enforcement helps alleviate overcrowding of the lots but some larger rental units still present a problem. Bears have been a problem this year, breaking into cars and units. Please do not leave any food in cars and be sure to latch dumpsters.

INTERIM UNPAID GENERAL MANAGERS REPORT(LES TERRY)

Unit and deck repair and refurbishment has been completed on units up on the hill. Lower unit work is proceeding. Under soffit repairs have been completed on units #108-155, work on lower units is proceeding. Project entrance sign renovation is completed, except for lighting. Chris Breuning has resigned with Damien Sauerbrauer taking his place. 2 pool cover panels and 2 pool cover reels have been replaced. Southwest Gas is replacing lines around the townhomes. Homeowner requested repair revenue has increased. Pathway safety rails have been repaired and painted. The pool fence has been painted. The pool equipment enclosure has been painted with elastomeric paint.

CWTA is now offering housecleaning services for those homeowners not on a rental program, is offering propane to exchange empty canisters; Pool towels are also offered for sale and firewood is being offered for \$75/locker.

A vision for the future project manager is being developed, and a hiring plan implemented.

OLD BUSINESS - None

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NEW BUSINESS - None

ELECTION OF BOARD MEMBERS(LEE SHUFF)

The election of 3 Board members is required. New board members will serve a three-year term ending in 2012. Alex Lukash, Geoff Simcoe, and Cary Okumura are standing for re-election.

A motion to accept the three remaining candidates and close nominations was made by unit #52, 2nd by unit xxx and the motion was approved and candidates elected by acclamation of the homeowners. The newly elected will serve for three years.

ADJOURNMENT REFRESHMENTS AND BUFFET

All present Homeowners and their guests, all Board Members and support personnel are invited to refreshments and buffet. Meeting adjourned at 4:50 p.m. The Annual Homeowners meeting for 2010 is scheduled for September 20, 2010, 1:00 p.m.

Respectfully submitted:

Alex Lukash, Board Secretary, Unit #42, October 4, 2009

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