

Monterey Park Association
Villa Monterey Units 5-5A
Annual Meeting
March 16, 2013

Call to order by Beverly Pettit at 10:00 AM

Board Members Present: Dody Tait, Val Bennett, Sandy Mucci, Wayne Knudson, Susan Marchi, Bev Pettit, Tom Mehen

Quorum Established - 46 property owners represented in attendance at the meeting.

Home Owners Open Forum:

Lynn Krupnik, from the law firm of Eckmark and Eckmark, was asked by the Board to speak to our home owners with regard to our current CC&Rs and By-Laws as they relate to our 55 years of age requirement and our rental and leasing rules. Home owners were allowed to participate in the question and answer session with Ms. Krupnik.

Ms. Krupnik defined the following:

CC&Rs sometimes called The Declaration of Restrictions must be recorded and filed against property. Changes to CC&Rs require a 75% positive vote of the association membership.

By-Laws guide governance issues.....Board election, rules, age restriction, etc.

Articles of Incorporation establish the nonprofit status of our community.

In 1996 the Housing for Older Persons Act as a general law did not allow for discrimination by age. The law says that 80% of the occupants must be 55 years of age. However, an association CAN adopt more restrictive measures.

Our CC&Rs from 2000 say that all units must be occupied by a person 55 years of age or older, all owners must be 55 years or older and no children under the age of 16 can occupy the property. Our CC&Rs allow no exceptions. Ms. Krupnik recommended that the provisions of the By-Laws need to be amended to be consistent with our CC&Rs. An exception could be allowed for a surviving spouse not currently 55 yrs of age to occupy and own the property. This exception/rule is already in our By-Laws and should be added to our CC&Rs.

An amendment becomes effective immediately (when approved by the Board) and is then voted on by membership for proper filing and recording with the government. CC&Rs require 75% approval of all home owners in the community.

A question was raised by a home owner concerned about a property owner that may not be residing full time on the property but leaving a family member under the age of 55 to occupy the property. Do we, as an association have any recourse?

- Ms. Krupnik suggested that fines could be considered, suspension of the owner's voting rights or use of the common areas. Lastly, a legal action could be taken. An outcome in a court action is risky and an outcome cannot be predicted.

A question was raised by a home owner concerned with the Board having set a precedent by allowing a property inheritor to occupy the home when said inheritor was not 55 years of age.

- Ms. Krupnik said that the Board did not set a precedent and this situation did not change the consistency of our rules.

A home owner raised the question of restricting against rental or leasing of properties in our community.

- Our rental and leasing restrictions were set in 2010 in both our CC&Rs and By-Laws. There was a case against a Board and HOA (in 2003) with regard to this type of restriction and the HOA and Board prevailed.

A question was raised by a home owner with regard to verbiage used when balloting...specifically our ballot to approve the assessment for the renovation of our spa.

- The Board could choose to amend our process or procedure for balloting to ensure that the language is not confusing or misleading.

A question was raised by a home owner regarding whether or not the Board should or could determine if a house was not compliant with the upkeep of a property.

- If the Board determined that a property was not being kept up properly or had fallen into disrepair, and had no response from the property owner, the Board could choose to remedy the situation and give the home owner the invoice for cleanup or repair. The Board can also place a civil lien on the property. Our Board has never taken this type of action and would not do so without legal advice and opinion.

A question was raised about members serving on the Board but not being allowed to vote as these members had not yet lived in the community for one year.

- The Board is allowed flexibility in this situation.

A question was raised as to creating a non-smoking or designated smoking area around the pool and spa.

- The law requires a no smoking ban of between 12 and 20 feet from entry doors (the Board will research what restrictions there are in place for Scottsdale). No smoking is to be allowed in public indoor spaces. We are free to adopt reasonable rules around smoking.

The majority of home owners (with a show of hands) did not want to enlist additional rules.

Secretary's Report: Susan Marchi

The 2012 Annual Meeting Minutes were approved.

Annual Meeting Minutes will be communicated to homeowner membership within 30 days of the annual meeting. The minutes will be distributed via email and hand delivery.

Treasurer's Report: Sandy Mucci

(See the detailed posting in the bulletin cabinet.)

The 2012 Treasurer's report was approved by membership.

This year (2013) the Operating budget is \$50,714.29

The Contingency fund is \$28,082.96

Our books are reviewed every quarter and no irregularities have been found.

A question was raised by a home owner regarding the \$100 of the \$400 assessment (2012) that was being held in contingency. The Board explained that our spa project came in under budget from when the monies were collected. The Board had approved keeping the additional monies in contingency to support any renovation issues that may have also been encountered while the spa was being upgraded. The Board is also aware that 2014 may bring a ruling with regard to barrier fencing being installed around both the pool and spa. In this case, we have the money to comply with the new law.

Committee Reports

Coffees - Gwen Carlson

Every first Saturday of the month there will be a coffee...which will also continue all summer.

Cocktail Parties – Tom Mehen

There will be no summer parties....the months of April and May do have sponsors. Cocktail parties will begin again in October.

Real Estate – Dody Tait

There are three new home owners who have purchased property in Unit 5-5A in 2012.

Maintenance and Lighting – Wayne Knudson and Randy Brenckman

The wall around the olive tree has been constructed.

A leak in one corner of the common area has been repaired and covered.

New lighting has been installed on the walkways, gates and common areas.

Pool and Spa – Jim Bennett

A solution for the heavy cover on the spa is being researched. For the time being...if the home owners would orient the cover seam with the handrail...it will make handling the cover easier.

Ramada and Library – Lisa Knudson

Thanks to the amount of books in our library it is not necessary to return books.

The Ramada will be cleaned professionally one time per month. All host and hostesses are responsible for ensuring that the Ramada is in good shape after parties, etc.

Social – Kim Bushy

The Soup and Salad party was a great success. Other events are being planned. A 50/50 raffle is set up to give the committee some working funds while ensuring that the raffle winner gets to share in half of the profits from the raffle. There is a plan to have some 'Summer Sips' on the second Saturday of the summer months. Street captains will call home owners to ensure that summer activities are communicated and to get an idea of the number of home owners participating in events.

Landscape – Tom Mehen

The olive tree has been sprayed. Sprinklers are still showing signs of the need to repair.

Newsletter-Web Page – Val Bennett

Thank you, Val, for a great job of representing the home owners by serving on our Board. And a BIG thanks for remaining as the chairperson for the Newsletter and Web Page!

New Business

There were a total of 82 ballots cast in favor of the following Board Members for 2013/2014 – Susan Marchi, Craig Sjodin, Jim Bennett and Tom Mehen were elected to serve on the Board along with Dody Tait, Wayne Knudson and Sandy Mucci.

The Board will not be pursuing the use of desert landscape around the pool and spa. There is no real savings and the majority of home owners like the park like setting and the green space.

The Board will research the number of smoke detectors that are needed in the Ramada and the possibility that fire extinguishers should be in place.

Adjournment: 11:45 AM