

Palm Canyon Villas Homeowners Association

November 2018

Year End News

We recently completed our November board of directors meeting and made a number of decisions regarding your association. One of the items of most interest to you will be the annual budget for 2019. Budget approval is probably one of the more important decisions board members make. No one wants to raise monthly assessments. Leave them low, make your neighbors happy with you and get voted back on the board when your term ends. Kick the can down the road. Let someone else do the dirty work. Not very smart. For those of you that have been owners for a few years, you might recall our monthly assessment back in 2009 was \$345 per month. A few years prior to that time, the association was pretty run down and our reserve fund was more like a petty cash fund consisting of just a few bucks. The board made a lot of hard decisions, pursued an aggressive yet well designed long term capital expenditure plan, brought your association back into good order and grew our reserve fund. With that good planning and follow through by your board of directors, we were able to lower the monthly assessment to \$340 in 2010. The board continued to do their job, our reserve fund continued to grow and that allowed the board continue to decrease the monthly assessment by \$5 a month for the next five years in a row and then stayed with \$320 for three years. In 2017 we reluctantly made the decision to increase the assessment back to \$345 per month to cover the cost of flood insurance for the protection of the association and for maintaining market values. We were able to continue with \$345 per month for 2018.

Every year, expenses increase. Every year, items throughout the complex require repair or replacement. Every year, the approval of a budget for the ensuing year becomes more complex with varied decisions to agree upon. We know that we have some extensive and costly termite repair work that must be completed in 2019 once our seasonal guests depart. We know costs are going to increase for utilities, maintenance and general repairs. The board completed an extensive review process of many items prior to approval at the November meeting. We took into consideration the average social security check will increase just under \$40.00 per month next year and that made the decision to increase our monthly assessment by \$5.00 per month a bit easier to digest. With all of this in mind, the monthly assessment for 2019 will be \$350.00 per month.

Annual Membership Meeting

During the month you will be receiving information about our annual membership meeting. Again, those of you that have been owners for a few years, you will recall hearing from the board annually in almost begging, pleading, ranting and raving about the ballots. They are sent to you and need to be completed and returned. There are very specific state requirements about the balloting process in California. They must be mailed to the address of record, they must be completed with a signature on the envelope and returned to Palm Canyon Villas. Per our CC&R's we require over 50% to be returned to constitute a quorum. That means we need the help of at least 113 of you to complete the above. For over 20 years, the board and management have had to individually contact owners to beg, almost plead with them to complete and return their ballots. We sometimes squeak in on the day of the meeting with 114 or 115 ballots, just one or two over the minimum. Last year, much less than half of the owners took the two minutes or so of their time to complete and return the self-addressed, stamped envelope. Without obtaining a quorum, no meeting could be called to order.

The purpose of the annual membership meeting is to count ballots. That is its only purpose. That is the only item on the agenda and no other business may be conducted. If we don't have a quorum, we cannot call the meeting to order. This year again we will do our due diligence, and we will beg and plead and rant and rave in

trying to get your ballot completed and returned that will allow us to obtain and quorum and be able to conduct a meeting. In years past I have personally gone from door to door and made phone calls to obtain completed ballots. I have had doors slammed on my face and had owners hang up on me. We ask for your assistance in the management of your association. PLEASE HELP and send in your ballot. PLEASE! PLEASE! PLEASE!

I was told recently that I may not be doing enough in trying to obtain ballots, am not doing my duty as a board member and should maybe leave. I and other board members could be offended by such a statement but it was made by an owner without knowledge of our association, without knowing what happens throughout the year and without any understanding of the work that board members do on continual basis. We work judiciously at year end for the annual meeting and balloting process. Uninformed statements such as that do no one any good.

I became a board member as I was interested in my investment in PCV. I was happy to volunteer my time. I have seen the lows, I recall when we were in disarray, I remember when our reserve fund consisted of only \$25,000 and roofs were leaking throughout the complex. I was happy to join the board. The complex slowly improved. I left after a few years and later was begged by neighbors to return to the board. I am happy to be a part of the boards that have returned Palm Canyon Villas to its first-class condition that it is in today. I am proud that we have a reserve fund in excess of \$1,000,000. I have worked with many boards, some good and more recently some really great boards. We have new owners that come in and want to make changes. Changes are good - sometimes. Change for the sake of change is not usually the best strategy. If it ain't broke, don't fix it comes to mind. Over the years, I've also had the pleasure of working with a few of those who entered the board with the intention of changing anything and everything. Get rid of the old fogies and make it better. Three members come to mind, three wanted to change anything they could and those three eventually quit. Why? The ideas they had were, apparently, not good enough to gain consensus with other board members. All ideas are good, some are great. We take advantage of the great ones that benefit all.

This may sound like a pitch for a vote. It is not. I am NOT running this January as I am only half way through my current two year term. I've recently heard the comment that staying on the board too long is not good - we need term limits, we need new blood. If a board member is not doing a decent job, they should not be voted back in. If the board is not running the association to the benefit of all owners, they should be replaced. I totally and completely agree. I've mentioned earlier than I am happy to volunteer my time to be a board member. I have purchased multiple units because I believe there is great value in our complex due to its excellent condition, its financial strength and its thorough and efficient management team. I will add that I am proud to be on the board and proud to work with current board members for that last few years. Were it up to me, and so long as conditions and values continue to increase for the complex, I'd hope they do not change.

Just the usual reminder, our on-site manager is still available by phone most weekday mornings for questions you may have regarding your unit or something having to do with the complex. **There is no need to wait for a board meeting.** Any question you have can be taken care of during the week or by leaving a message at the office telephone (760) 324-4835. He will return your call that morning or during the following business day. He is also available via e-mail at PCVCHOA@AOL.COM. Should there be any emergency and he is not available - **only something you would need to call 911 for** - you can call the Personalized Property Management at (760) 325-9500 and someone will assist you.

Respectfully,
On behalf of the Board of Directors

David J. Meyer
President and Treasurer