

**MINUTES OF THE ANNUAL MEETING
OF THE MEMBERS OF
IRONWOOD OWNERS ASSOCIATION VII**

DATE: March 13, 2009

TIME: 3:00 P.M.

PLACE: Valley View Room – Ironwood Country Club Clubhouse, Palm Desert

PRESENT:

Norm Kaelber, President
George Neidermeyer, V. President
Pat Mahler, Secretary
Gunnar Haase, Treasurer

ABSENT:

Joe Peery, Director

Also present: were Nancy Parkinson, Jan Baker and Jodi Gaylord representing Desert Resort Management; Larry Sutter, ICA Board president, and homeowners as evidenced by the sign in sheet.

CALL TO ORDER

The meeting was called to order at 3:00 p.m. President Kaelber welcomed the members attending. The Board of Directors and Management were introduced and members introduced themselves. It was noted for the record that there was a quorum.

President Kaelber introduced Jan Baker and Jodi Gaylord as Inspector of Elections. He gave an introduction of candidates to the members and asked if there were any nominations from the floor. Casting of the votes then commenced.

Guest Speaker:

Mr. Kaelber introduced Larry Sutter, ICA Board president, and past president of Ironwood Owners Association VII. Mr. Sutter proceeded to explain some of the programs that ICA has been working on over the past year.

- Landscape Enhancement Program: the ICA Board is looking for feedback in updating Ironwood. Mr. Sutter gave a brief description of the projects upcoming for the summer of 2009. They will include changes to the intersection at Mariposa and Irontree and replanting the islands at the cutouts on both streets with the possibility of installing pavers in the cutouts at a future date.
- The Club/ICA Vote: The Club's request for an amendment to the ICA Bylaws and CC&Rs went out to ballot to the membership and was passed. This amendment will reduce the amount of the Club's assessments over a three-year period from 20% down to 11 %.
- There will be no summer color. The cost of the color and the labor to install was approximately \$24,000. Changes to the median landscaping will reduce the cost of installing color by an estimated \$40,000 per year.

- Security Cameras were installed in 2008. They started paying for themselves immediately with the capture on film of violations taking place. The transponder system was also reset reducing the number of transponders and eliminating the swipe cards.
- ICA is also working with the City of Palm Desert on Emergency Preparedness. New emergency radios have been purchased for Security and eventually ICA would like to have at least one emergency radio for each Ironwood HOA.
- There will be two summer programs available to the Ironwood members this year: pavers and air conditioners/heaters.
- The ICA website is up and running: www.ironwoodcommunity.com Ms. Parkinson is working on updating information for Ironwood VII which should be available for viewing soon.

PRESIDENTS REPORT

President Kaelber gave a brief outline of the status of other HOA's in the Coachella Valley. It appears that the more established, older HOA's (i.e. Ironwood C.C.) are still doing well. However this does not apply to newer communities which are being hit hard with foreclosures.

At the 2008 Annual meeting the need for a \$300 special assessment in 2007 was discussed. The special assessment was to improve the balance of the operating account moving it from a negative to a positive number. This was achieved.

In November 2008 the 2009 Budget information was sent to the members. Included in the information was the notice of increase of the assessments to \$715 per unit per month. Also mentioned was the Virginia Graeme Baker Safety Act wherein the association was required by law to bring its pools into compliance with the act by separating any suction drain lines preventing the possibility of entrapment on a drain. The Board had a fiduciary duty to comply with this law as the liability for not doing so was large. Bringing the pools and spas into compliance with this law cost the association upwards of \$45,000. At the time there were sufficient funds in the Reserve funds to cover the cost of this unplanned expense.

The pool/spa compliance was one of two unforeseen surprises to the association in 2008. The other was a foreclosure of one of the HOA properties. This resulted in a loss to the association of approximately \$5,000 in uncollected assessments. To counter the possibility of this occurring again the Board added a line item for Bad Debt and Contingency to the budget for 2009.

FINANCIAL REPORT

Gunnar Haase reported that in June of 2008 the HOA was over budget by \$5,000 because of utility rate increases. The Board took action by shutting down the heaters for the pools and spas for the summer. A new pool policy was put into effect. By doing this the budget ended under budget by \$5,000. Mr. Haase reported that the estimated interest in the 2009 budget will not be incurred as the market has taken a downturn. In reviewing the budget line items it is becoming very difficult to find areas to reduce the assessments further.

OFFICERS' REPORTS

Architectural:

Gunnar Haase noted that he has been working on revising the Architectural Guidelines and that they should be sent out for a 30-day review and comment period to the members this fall.

Mr. Haase also reported on the Virginia Graeme Baker Safety Act and the process in selecting the contractor for the work. Ms. Parkinson obtained bids from four (4) contractors. Once reviewed by the Board it was noted that there were inconsistencies in the bids. Mr. Haase along with George Neidermeyer inspected each of the association's six (6) pools and spas and developed a set of specifications that were given to two (2) of the contractors to rebid on. Both contractors, Kent Westfall and The Leak Detectors, were interviewed. The contracts were given to The Leak Detectors. At this time pool areas 2, 3, 4, and 6 are completed. Pool areas 1 and 5 are to begin on March 16th with a guarantee by The Leak Detectors that both pools will be operational by April 3rd.

Landscape:

Pat Mahler has been working towards a goal of reducing the amount of color planted in the association going from 1,300 flats to 500 flats of seasonal color. Ms. Mahler stated that over the past two (2) years it has become very apparent that water usage is a big issue of concern. By reducing the amount of seasonal color the amount of water used can also be reduced. Ms. Mahler will be outlining in the fall the areas where color will be planted – mainly in the front of homes, no sides, and some in the back of homes. If owners would like more color they may put in their own. Ms. Mahler will also be working with AK Landscaping to cap off unneeded irrigation heads.

Ms. Mahler stated that the Landscape Committee and the Board are working on transforming the circles and corners into desertscape. She admits that they are not attractive to begin with, but as the desert plants mature they will look better. The association's funds for doing these landscape changes are low but Ms. Mahler will be looking at doing additional work this summer. Also, AK Landscape has been asked to no longer use the power clippers on hedges with blooms. They are now hand clipped.

OPEN FORUM

Discussion was held on when the association is due to be painted again. At this time the association is due to be painted again in five (5) years. Note: this was based on the Reserve Study dated June 2008.

ELECTION RESULTS

Ms. Parkinson read the election results. Gunnar Haase, Norm Kaelber, and Pat Mahler were all reelected.

The 2008 Annual meeting minutes were approved by ballot as well as the IRS Revenue Ruling 70-604 for applying membership income over expenses to the following year's assessments.

There being no further questions, the members were then thanked for attending the meeting.

There being no further business, the meeting was adjourned at 4:25 P.M.

Respectfully submitted,

Pat Mahler, Secretary
Ironwood Owners Association VII
As recorded by Nancy Parkinson, CCAM®
Community Association Manager for
Desert Resort Management

DRAFT