

Annual Meeting Report
February 17, 2009

Today we have 955 spaces full with 777 owners and 178 renters for 89% occupied. Last year we had 772 owners and 168 renters for a total 940. Our occupancy rate was 87.5% and 89% for 2007. In 2006 the percentages was 91%, 2005 and 2004 was 88%, with 86% in 2003 and 83% in 2002. So our average number of spaces full at this time since 2003 is 947.

In 2003 we had a total of 69 sales, 2004 sales increased to 127, and in 2005 we soared to 148 with 15 sales pending. In 2006 there were 110 sales, 2007 there were 52 sales and in 2008 there were 45 sales with three pending. The average price of a lot in 2002 was \$15,000 – 17,000. In 2006 the price of a lot averaged \$28,000 - \$30,000. In 2007 the average price increased to \$50,950 with the average park model selling for \$88,700. For 2008, the average lot is selling for \$45,000 and the average park model for \$86,000. It seems that our property values are holding their own even with the sluggish economy.

Over the summer, we worked on many projects. The summer began with street work. . We paved roads, Mineshaft north to Jasper and patched some of Cinnabar, the north corner of Oxide Dr. and a strip along East Aquamarine. The roads were a total of \$65,642. In conjunction with the street project, we also added new telephone cable along the south curb of Cinnabar and north across Cinnabar to the Southeast corner of Mineshaft and Cinnabar.

Repairs for the telephone company were large this past year due to more damage from lightning and also storm damage. Fortunately, most of these repairs were covered by our insurance company. We received \$219,000 that reimbursed our expenses.

Another major project was the Library Building. The building sports new windows on the south side, new roof tiles, and stucco on the south, west and east sides. The new stucco is a slightly different texture and really makes the building look more modern. I am really happy with the contractor, John Silvestre. We spent \$25,417.86 on the Library windows and stucco. The Board had approved \$40,000, so I was pleased to have spent less. Both sets of steps were repaired and stained contrasting light and dark to make them more defined. The walkways upstairs and down were stained to increase light and assist with keeping them clean.

The sidewalks and entryways around the main building were acid washed and stained with a colored sealer. This sealer protects the pebbletech so that the ultra violet rays will stop eroding the glue and will keep us from having to redo the walks. Besides, it brightened up the area.

On August 30, 2008 there was a monsoon storm with high winds and several inches of rain. Damage was sustained to park model roofs, awnings, and Arizona rooms along the west side. We lost 13 trees during the storm, but fortunately none of them damaged any buildings and no one was hurt. It was a frightening sight to behold.

This fall was the advent of our cable TV being provided by Dish Network. We have 36 channels available now instead of 13. That in itself is a huge benefit. Most of the programming issues at residences are now solved. They are working to install all the infrastructure to allow us to have a QUAM system which will allow any resident to upgrade to the programming of his or her choice. This option should be ready by next fall. Right now we have a bulk system so everyone has the same channels.

As a benefit of the upgraded infrastructure, we now have three ways to sign up for high speed internet: WiFi, DSL, and cable. Those residents who do not want to use the wireless option for high speed internet, may use DSL through 4Pair, or connect through their cable TV hookup with Dish Network. Check at the front counter for their phone numbers and other information

Our electrical switch gear located behind the ballroom originally was planned to be 800 amps, but we only had 400 amps. To remedy this problem, we had two 750 amp wires pulled to our switch by SRP. We then had a new switch installed to enable us to use the new power. We now have the capacity to have new circuits installed so that we won't be blowing breakers all of the time. I am hoping to have funding this coming year to install new circuits to solve problems, especially on the patio and in the kitchen.

Other electrical concerns that occurred during this past year were two major outages. Both outages were caused by underground cable burning in the street from the transformer on Goldfield to the transformer located in the parking lot south of the ballroom. This was SRP's cable and they repaired it both times at no cost to us. However, the fallout from these cable problems affected residents because the telephone and cable TV systems are dependent upon electricity from this transformer. Individual residents had power, but no TV or telephone.

July, the beginning of the new fiscal year, brought us a reduced sewer bill. This is due to the reduced water usage from the previous year. We saved over 2,000,000 gallons thanks to the efforts of residents and staff. We did not water the grass last summer which saved hundreds of gallons and reduced the water bill as well as the sewer bill. Our new artificial putting green will save even more on water and sewer.

We replaced water nine valves on six inch and four inch lines. These valves are necessary if we want to be able to shut off the water only in areas with a problem, not the entire park. Several years ago we installed extra valves in strategic locations to enable us to close valves so repairs could be made without shutting off all the water. The valves we are replacing will not completely close. We have scheduled these replacements over the course of three years for the valves that do not work properly. Other waterlines have developed leaks, usually from tree roots and need new PVC and new tees that hold them together. We will replace eight valves this coming year.

In October, we drained the big pool and the spa, had them acid washed and refilled. The entire patio area received a makeover: new cool deck coating, painted walls, patched pillars, (they were leaking), and ceilings were repaired and painted

The shuffleboard courts were repaired, painted and sealed. They look wonderful. Check out the south east board. The finish is different from the rest. It looks like a granite countertop and is as slick as glass. If this finish holds up to the sun and rain, the rest of the boards will be done the same way the next time they need to be refinished.

Several years ago, the Apache Junction Police Department donated an old radar gun to the park to assist us in the effort to control speeding. We have recently begun using the radar gun again, along with our radar sign, to inform residents and vendors alike that their speed is excessive. The Compliance Office is conducting a study of who speeds, when and where in the park, identifying problem areas.