

# **Board President's Report**

February 17, 2009

Golden Vista RV Resort Homeowners Annual Meeting

Your Board of Directors works hard to develop policy and make Homeowner Association decisions for an active participating group of homeowners. Board activities include Operating and Reserve Budgets, conducting policy discussions, responding to committees and reacting to concerns of homeowners and the Manager.

I want to pay respect to Manager Dell McKinney and the staff, who work throughout the summer to maintain and prepare the property and the activity program for homeowner enjoyment during a season that for them goes very rapidly. Credit is also due to all the volunteers who do everything from setting chairs and planning meals to performing the myriad functions loosely titled "activities" that creates the active lifestyle we come to enjoy.

I want to review with you some Board actions taken during the past year:

- \* We started the Board year with a work session for committees; designed to review their mission and concerns. An effort was made to reduce and realign the committees, which produced only minor changes. As a reminder to all: the committees are advisory to the Board and management. Policy rests with the Board and day to day operation is the duty of the manager, the compliance officer and the staff. The Board wants to thank you for your work.
- \* A new auditor for our accounting was hired. You will hear the auditor's report from the treasurer in a moment.
- \* Repair/Replacement projects authorized from Reserve funds included extensive renovation of Building E, a series of water valves and telephone line replacements made, and \$65,000 of street repairs that was authorized.
- \* Thanks to astute research by electrician Dave Spect, our power supplier acknowledged the full 800 ampere power supply to the center complex had never been installed. The additional lines and switching capacity were installed in September. More electrical upgrading in the Center will follow when other plans are in place.
- \* A new Dish Network TV service with 36 channels was installed, and now offers broadband internet service as well. Next year individual homeowners should be able to add channels for a separate fee.
- \* Following considerable telephone service problems last spring, an insurance settlement for \$219,000 was received as a result of lightning damage. We credit Manager McKinney with careful insurance purchasing to have those clauses included.
- \* State law has mandated certain changes in HOA documents. The Board supported another attempt to make amendments to the Articles of Incorporation and the CC & R's. It also developed an amendment proposal to reduce the required number of voters to change documents from 60% of all homeowners to 60% of a quorum of voters, which would be a minimum of 538 voting. The Board appreciates the largest response from the voters that there has ever been. We will hear those results in a few minutes.

\* Board member Ken Crites resigned effective September 1 for health reasons. We are all pleased that his surgery was successful and he is now back in the Park. The vacancy will be filled by today's election.

During this year the Board has had considerable focus on the Reserve. The Reserve is a legally required sum retained in cash and CD's for repair and replacement of our physical plant. The Reserve also includes a Capitalization Account for improvements to Common areas. Although Reserve planning has been in existence since formation of the Association, the Board chose Reserve Advisors, Inc to assess future maintenance costs and Reserve requirements. We found it paralleled the previous in-house study that had omissions and needed to be updated. After considerable research, the Board has moved in a different direction, from a component basis to a cash flow analysis in accordance with other associations in the Valley. This involves replacing some previous actions as we gain a higher level of competency. A goal of funding 65% of the yearly inflation-factored Repair and Replacement Budget was established, eliminating reference to surplus or deficit reserve accounting. I want to remind you that with last year's increased dues we were able to double the basic contribution to reserves. There is about \$500,000 currently on deposit, and our Reserve goal for this year has been met. You can be assured that recession is not a factor to our park at this time.

Transparency and responsibility are codependent terms. It is important that homeowners understand as much as possible about the Park. At the same time the Board counts on homeowners who criticize to also offer responsible solutions. There are always concerns and issues in a dynamic community like ours.

The next regular meeting on February 24 will continue as a work session to hear discussion about our pedestal electrical distribution system. We will also hear reports from Planning & Development about the laundry survey and maintenance plans for 2009. Other issues this spring include: open discussion of the expenses from the Reserve will begin on March 3; options are being prepared for construction of the maintenance facility which was previously authorized; and some coordination is in the making with the Activity Office. Golden Vista is moving forward decisively.

We, the Board of Directors and I, want to thank you all for your support.