



**Holiday RV Park Owners Association
Board of Directors Meeting
January 13, 2018**

Board of Directors

John Watkins–President
Brien Carlson–Vice President & Park Maintenance
Jon Mackenzie–Secretary
Terry Redwine–Treasurer
Tony Damiano–Management (Absent)

Charles Nunes–Rules and Regulations
Leroy Laird–Public Relations
Fernando DaSilva–Park Use
Tom Barcellos–Collections

Owners Present

29

Meeting was called to order at 9:01 am by John Watkins

Flag Salute by Brenda Critzer

President's Address

1. Please turn off all cell phones.
2. This meeting is restricted to Owners only.
3. This is a volunteer board. No one is paid for their time. Board Members are reimbursed for out of pocket expenses.
4. Discussion of issues can become heated and emotional, but everyone deserves to be treated with dignity and respect.
5. Regular and special meeting of the Board are open to all Members of the association, Members who are not on the Board may not participate in any deliberations or discussions unless expressly so authorized by a majority of a quorum of the Board of Directors.
6. Owners may participate in meeting during the Owner's Comments section of the agenda.
7. Questions, comments or suggestions will be referred to a Board Member, as appropriate or taken into consideration by the Board for research, review and discussion, and placed on next month's agenda.
8. Holiday RV Park's procedures and meetings are governed by our bylaws, CC&Rs, and rules adopted by the Board.
9. John Watkins made a request for Members to state their name and locker number when commenting or asking questions to the Board.
10. Motion to accept the minutes of the December 9, 2017 meeting was made by Tom Barcellos and seconded by Charles Nunes.

Correspondence – Leroy Laird

I would like to start by reading a letter from Donna Weeks sincerely thanking the Holiday RV Park Owners and the Beach Social Club for all their special consideration and the flowers to commemorate the passing of Ernest Weeks.

I know we are all hurting for you Donna, and you will always have our support here at Holiday. This Park is like a *family*.

Our guest survey results are hitting some very high marks (86% - 96%) when it comes to the cleanliness of the Park, and an overwhelming majority of guests find the Park both a good value and a place to return to. The office staff also received very impressive marks with regards to the reservation process and professionalism.

However, Wi-Fi and cable TV quality are in need of improvement according to over 30% of all surveyed guests, but the Board and Julie are working on a long-term solution to those problems.

Committee Reports

Management – Tony Damiano (Absent) – John Watkins Representing

Tony's wife is feeling much better and is out of the hospital, but unless Julie has anything to discuss during her report he is happy with the Park's management recently.

Collections –Tom Barcellos

As far as outstanding balances goes with our Member's dues, we are at \$3050.60. Last month that amount was a little bit over \$4,000 so we are making good progress. A lot of the late charges were cleaned up to account for that difference. We

still have a few Members with large outstanding debts, mainly due to these Members being deceased. The office has also done a good job of stressing to Members that when the assessment in February is paid, it needs to be the full amount due and not just the current charge.

Park Maintenance – Brien Carlson

Nothing new to report in terms of Park maintenance, we are continuing to make ADA-required improvements and unless Julie has something to discuss during her report I feel like things are going well.

Financial Report: Terry Redwine

Accounts	Balance
Rabobank – Operating	\$15,228.71
Rabobank – Laundry	\$20,195.34
Rabobank – MM	\$0.00
Rabobank – Dues	\$1,291.23
Morgan Stanley Dean Witter	\$143,421.05
Mission Bank CD	\$105,952.74

Item	Dec 2017	Dec 2016	Difference
Income	\$56,819.69	\$44,109.03	\$14,710.66
Expense	\$74,705.73	\$82,385.73	-\$7,680.0
Net Income	-\$17,886.04	-\$38,276.70	\$20,390.66

According to the December balance sheet, our total checking and savings this month is right at \$287,000. Last year the balance was \$252,000 so being up about \$35,000 is very nice. I would still like to see more growth in savings this year though based on the number of projects we have lined up (road slurry, elevator lift, etc.).

As far as the month-to-month comparison goes, December 2017 was a total loss of \$20,000 less than in 2016. December is one of the slower months for business and losses are expected so to see that decrease by 50% is an improvement.

Terry Redwine made a motion to pay bills in the amount of \$44,601.72 and payroll in the amount of \$14,935.07, seconded by Fernando Da Silva.

Rules and Regulations – Charles Nunes

Julie will begin the first phase of site inspections based on the new, 2018 Rules and Regulations, and a focus will be placed on guests that may have cabanas or extra shed-like buildings on their site, satellite dishes, under-RV storage, non-outdoor furniture and other issues. This work may continue into next month as well.

As a reminder, last month the Board discussed and approved a new pet ruling for guests that will incur a warning for the first offense of a pet using the Park as a restroom without adequate cleanup, followed by \$50 to \$200 fines based on subsequent offenses. Again, we reached this decision based on *your* concerns regarding this type of behavior being more prevalent in the Park and based on the Members that let us know their opinions during November’s meeting.

I applaud all the Members that are here and do take care of their pets when accidents do happen, it is very much appreciated.

Public Relations/Publicity – Leroy Laird

The Beach Social Club is hosting a potluck this evening from 3pm to 5pm and we are looking forward to having a good time. Last night the Beach Club had a wonderful meeting and I would love for Brenda to tell you all about it!

Beach Social Club Report – Brenda Critzer

Last night we reviewed our total funds and will be purchasing raffle and door prizes for the annual dinner in March. Please look forward to our beautiful flyer within your shareholder mailing, it has all the details about the dinner menu, activities and location. The theme this year is Mardi Gras & Dixieland jazz; there will be a dance and costume contest, masks and beads for our guests, silent auction, a photo booth and other fun activities. Also, please stop by the office to see our big door prize, the Traeger BBQ grill (over a \$400 value!). Your price of admission enters you into the big drawing for the Traeger as each dinner ticket is number with a stub for verification of a winner.

Park Use – Fernando DaSilva

Our occupancy was up last month at 76.90% compared to only 73.42% during December 2016. It might have been due to good weather, but the Park felt fuller this year.

Manager's Report – Julie Hill-Taylor

Going back to the dog issue, I have noticed that Monthlies and Snowbirds are trying to clean up after their pets and I think it is important to acknowledge your efforts.

Last week it rained pretty hard and it affected our Wi-Fi and Cable TV service greatly, so I want to thank everyone for their patience in dealing with these interruptions.

The staff was able to pack the annual mailing envelopes this week all in one day and I'm pleased to let everyone know that those are in the mail or waiting pickup in the office for Monthlies and Snowbirds in the Park.

The office phones are having some technical difficulties according to some Owners that have brought it to my attention. Apparently when both office employees are using the phone it will not accept additional calls and there is no dial tone.

Our change machine in the laundromat needs replacement parts since it is having trouble accepting \$20 bills right now. Please try your bills a few more times and then ask the office for assistance or smaller change while we are awaiting the parts needed to repair the machine.

Old Business

1. ADA / Elevator – Brien Carlson

I met with a vendor from Arrow Lift and there was a unit installed not far from my home, so I was able to inspect a lift and take some pictures. I was very impressed with the look and function of the lift, and it took about only 15-20 seconds to ride. It definitely felt much more open than our elevator and was less claustrophobic inside. The lift will meet our ADA requirements and provide guests with a more pleasant user experience so I am in full support of moving forward and getting this old business off the table.

After lengthy discussion over available finances and project timetable, it was decided that the Board would defer a final decision on the lift by 30 days and the subject will be revisited during the February 2018 meeting.

2. Annual Dinner & Meeting – Leroy Laird

Topic was covered under the committee report.

3. Spectrum – Julie Hill-Taylor

John Watkins and I have spent hours negotiating and working with Spectrum on the fiber optic deal for the Park. Last month a motion was passed to sign the agreement and I'm pleased to say that the agreement has been signed, but there are a few last-minute issues to clarify. This new Wi-Fi system will hopefully allow every guest a greatly improved experience.

4. Website – Sales – John Watkins

I am still in the preparation process to present an advertisement package to the Board for review. It is not difficult to find advertisers to work with, but designing the ads in such a way that our staff is able to upload and maintain them without need for an outside web developer takes more time; but it will keep the work in-house to cut costs.

5. Roads – Slurry Seal – Charles Nunes

Julie has coordinated with Ramsey Asphalt and now we have a tentative date for the slurry seal, May 1st – May 2nd, weather permitted of course. Also, the office staff has taken the time to block off every site in RMS so there is no possibility of a RV pulling-in or leaving during the scheduled work. The job should only take two days

maximum; the entire road will be coated with slurry and after it dries Ramsey is contracted to also repaint all the site numbers and road markings too. Everyone please have patience during this construction, it will require some inconvenience but it will look great after the work is finished.

Also, Leroy Laird has just informed me that about 3 holes have to be patched before the slurry seal, but I am working with Julie and Leroy on getting that taken care of in a timely manner.

New Business

1. ADA – Tax Credits – Julie Hill-Taylor

I am working with Fernando Da Silva on turning in our ADA projects to the Park's tax accountant, and this might include refiling previous tax returns based on work that was done for the pool & spa in 2016.

2. Laundry Fees Increase – Julie Hill-Taylor

I'm not sure if anyone is aware yet, but the water softeners for the laundromat had to be replaced recently because the old softeners were in disrepair. Now moving forward, I am hoping to make further improvements to the laundry room like replacing more of the older washers and dryers. To accomplish this, it does appear necessary to raise our rates by about 25 to 50 cents per machine. My concern is that our machines right now are the cheapest in the entire Pismo Beach & Grover Beach area, and we are leaving a lot of potential revenue on the table.

Comment from Richard McCorkle (Locker 126) – So is the laundromat open to the public and not only the owners and guests of the Park? Even homeless persons?

Yes, that is correct. As another Board member put it, “we will take anyone's money.”

Comment from Anna Brown (Locker 1) – Why is the laundromat open to the public?

Response from Terry Redwine – There is a difference in zoning for private recreational facilities and public ones in terms of property taxes. As an example, the Board learned that our neighbors over at Pismo Coast Village were paying significantly less property tax because they have a restaurant that is open to anyone and is therefore not 100% private property. So, after some research it was found that in order to get the Park zoned differently we had to allow some significant facility for public use and it was decided that the laundromat was the best option. This saves the Park almost \$34,000 in property taxes.

After further discussion Fernando Da Silva made a motion to increase laundromat rates by 75 cents for regular washing machines, 25 cents for regular dryers and 50 cents for all industrial washing machines and dryers, seconded by Brien Carlson.

Owner's Comments

John Souza (Locker 227) – Earlier the possibility of raising dues \$200 was discussed, but why not raise that to \$300 in order to bring fees up to the actual cost for Owners to use a space for free? When I was on the Board several years ago it was researched and found that the cost of an RV using a space was \$10 per day. So, raising the dues up to that level at least covers the bottom line expenses for every Owners' 42 free days. The free days are what costs the Park; we are trying to save money for expenses but with the dues set at only \$188 we still lose approximately \$5 per day every time an Owner stays here.

Mark Schieber (Locker 155) – I agree with John Souza on a lot of levels, but we keep forgetting about the Monthlies. The bylaws and CC&Rs originally required that all owners pay rates equivalent to the public after using their 42 days, but that was amended in 2006 to be a rate set by the Board. My belief is that was to protect the Monthlies interests and keep their expenses to a bare minimum, when their rates should have been appropriately higher and this is why the Park is now treading water. It may not be a popular opinion but I think the Monthlies and Snowbirds should be paying more for their enjoyment of the Park.

Richard McCorkle (Locker 126) – Snowbirds are now required to leave the Park for 2 days every 6 months and pay a \$50 storage fee *on top of paying rent* for a month. Isn't that double dipping?

Response from John Watkins – No, it's legal. Title 25 obligates our Snowbirds to either leave the Park or move their RV. Paying storage fees for Owners that choose not to move their RVs keeps us in compliance.

Response from Tom Barcellos – As a counterpoint, you pay the same rent as a Snowbird for months that have 28 days like February or 31 days. Are we going to start nit picking? We are trying to make things legal but also not require Snowbirds to move their RVs anymore.

Wayne Norton (Locker 478) – Was the increase in my rent this year as a Monthly the same as the increase in rent for the Snowbirds? *Fair is fair.*

Response from John Watkins – It was not always that way previously, but I can tell you this year the rent increase was the same across the board, 5% for everyone.

Gerald Brown (Locker 1) – If the Board was to assess every Owner a large amount (\$200-\$300) regardless of their Park usage, I agree with Mark Schieber in the sense that it is like subsidizing the Monthlies and Snowbirds who already receive a very cheap rent to be able to live on the Central Coast. Also, as Terry Redwine listed in his financial report the Park has over \$200,000 sitting in reserves; why not spend that money first *before* assessing Owners? It's a hard sale.

Rodger Ritchie (Locker 132) – As a Monthly I cannot use my time and I pay the Park every month to be here; this was all decided years ago so that the Park could afford to keep the doors open.

Linda Borba (Locker 566) – We've been here since the Park started, and there were never financial problems, *never*. And I don't know what's going on, but the rules are changing and it's not the same Park anymore. We've never had all this big change and it's worked and I don't know why it won't work the way it was.

Anna Brown (Locker 1) – This Park is like owning a house, when it was brand new there were less problems than 30 years later. The clubhouse was new, so were the bathrooms, the pool and the roads. This is now an older Park and it's starting to show wear and tear; it needs upkeep.

John Souza (Locker 227) – I worked on a lot of assessment figures when I was on the Board and I found back then the Monthlies and Snowbirds paid a \$64 rent difference between each other so arguing about that is moot. Do we pay enough? I don't know, but if I had to pay more rent tomorrow I don't know if that would change things right away.

Wayne Norton (Locker 478) – Why do we need to build new bathrooms, what's wrong with them?

Response from John Watkins – The State of California says we have to replace them. They are not ADA compliant and the work needed to make them that way requires us to build new bathrooms.

Nanette Angle (Locker 873) – I signed my Monthly agreement recently and while I do not live here now I am required to stay here 7 days every quarter, one month a year total. Who put this requirement in here?

Response from John Watkins – The Park's attorney added that requirement to bring us into compliance with the California Title 25.

Robert Sheue (Locker 92) – To add a little prospective, my wife and I are not even able to stay and use all 42 days per year. And while I'm all for improvements to the Park, raising our dues by \$200 is a lot of money for owners like me that are not even able to enjoy staying as much as others. I might not be the only Owner that feels this way.

Response from John Watkins – Just to ease some concerns brought up today; the dues cannot be raised to \$200 on a whim. The Board is authorized to raise dues up to 10% maximum annually, only if needed.

Response from Fernando Da Silva – As a Board Member I want to thank everyone today for their input on these financial issues because it is very helpful for me to hear how the Owners feel about this. I myself can't remember the last time I used more than 30 days a year and I have two lockers. I think we are all in agreement today that the price of our Owners to be here, whether Monthly, Snowbird or not, is cheap. Costs are rising and it will continue to be a process to make sure rates are being raised according to the needs of the Park, and your input is important.

Brenda Critzer (Locker 166) – I agree with a lot of Owner’s comments today and I believe that we have an *investment* in this Park and unless we take care of it we all risk losing money on our investment. To our Owners that stay here on fixed income, I have concern for you all, but I have to stress that the world has changed and become more complicated. We need to try and abide by that. This Board and our business manager are working hard to do the right thing and we need to be patient with them.

Response from Julie Hill-Taylor – Just a quick comment that is related to today’s discussion; I cannot tell you how many Owners have come in and said “Wow, I really like what’s being done here. I see it, we love it.” People were not coming in the office to say that when I first started, so for our guests to notice the changes and actually let us know is tremendous.

Alan Bedford (Locker 344) – I been an Owner here for around 25 years and I was just figuring out my total expenses and I estimate that it has only cost me about \$5,000 to be able to enjoy the Park over all those 25 years. I remember that previously the Board had attempted to collect a \$10 nightly fee for Owner’s guests that would have helped cover utility expenses, but that was rescinded. That was a step away from the right direction in my opinion. As an Owner I would be glad to give the Park \$200 today if it would help pay for our big-ticket improvements: it’s like an interest-free loan.

Response from John Watkins – I really want everyone to think about the value of their shares. Think about how the value has increased over the last year; they did not magically jump from \$7,000 to \$12,000 for no reason at all. The values of your shares, our Park, is skyrocketing. And it’s because of all the work we are doing together, and that’s going to be the premise of 2018. We’re going down the road together to increase the value of the shares and improve the Park.

All Motions

Tom Barcellos made a motion to approve the minutes from the December 9, 2017 meeting, seconded by Charles Nunes. Roll Call: Brien Carlson, Fernando Da Silva, Leroy Laird, Jon Mackenzie, Terry Redwine and John Watkins voted yes. Tony Damiano absent. Motion Carried.

Terry Redwine made a motion to pay bills in the amount of \$44,601.72 and payroll in the amount of \$14,935.07, seconded by Fernando Da Silva. Roll Call: Tom Barcellos, Brien Carlson, Charles Nunes, Leroy Laird, Jon Mackenzie and John Watkins voted yes. Tony Damiano absent. Motion carried.

Fernando Da Silva made a motion to increase laundromat rates by 75 cents for regular washing machines, 25 cents for regular dryers and 50 cents for all industrial washing machines and dryers, seconded by Brien Carlson. Roll Call: Tom Barcellos, Leroy Laird, Jon Mackenzie, Charles Nunes, Terry Redwine and John Watkins voted yes. Tony Damiano absent. Motion carried.

Meeting adjourned at 11:18 am

Respectfully Submitted,

Jon C Mackenzie

Board of Directors – Secretary

CC

Aaron Cartwright

Senior Reservation Agent