



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

Board of Directors

Charles Nunes–President & Park Maintenance
John Watkins–Vice President
Lorena Lemus–Secretary
Brenda Critzer–Treasurer
Fernando Da Silva–Management (Absent)

Mark Schieber–Rules and Regulations
Leroy Laird–Public Relations
Brien Carlson–Park Use
Tom Barcellos–Collections (Absent)

Members Present

30

Meeting was called to order at 9:08 am by Charles Nunes

Flag Salute by Dale Critzer

President's Address

1. Please turn off all cell phones.
2. This meeting is restricted to Members 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 meetings 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. Members may participate in the meeting during the Member'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 meetings and procedures are governed by our bylaws, CC&Rs, and rules adopted by the Board.
9. Motion to accept the minutes of the September 8, 2018 meeting was made by Mark Schieber and seconded by John Watkins.

Correspondence - Leroy Laird

Last month we had technical problems with the software that sends our guest survey requests via email, so we are only looking at a few responses from our online correspondence. Here are the comment cards left by our guests that wrote their opinions down:

“Fabulous customer service, Katya and Jennifer were courteous, efficient and professional. Mike was helpful and welcoming; so nice to be treated well. Wonderful stay in the Park, it was secure and well-run. Suggestion: find a product that refreshes the dog area.” – Carina

“Very clean, very good place.” – Manual Silva

Committee Reports

Management - Fernando Da Silva (Absent) - Charles Nunes (Representing)

Fernando is not here today, but I will touch briefly on a few things. The office staff is doing well, if you have any questions or concerns about the Park please direct your attention to Julie and the office staff so that they can inform the Board and make us aware of any issues.

October 19th will be Katya's last day working in the office, and she is moving on to a position with the County of San Luis Obispo. Please stop by the office and wish her well if you can, we will miss her!

Collections – Tom Barcellos (Absent) – John Watkins (Representing)

We are still right around \$4,500 left outstanding in Member's dues according to our records. This amount is owed by 25 Members, 3 of which are being foreclosed on and a few others are on their way to foreclosure proceedings next year.

Speaking of which, we now have a date set for the trustee sale (auction) for the 3 Shares that were foreclosed earlier this year. The auction will be held on November 15, 2018 (10:00 AM) right here in the Park at the Magnolia Center. There is no minimum bid set for each Share, but it is important to know that each winning bidder must pay for the Share *in full* after the auction. We will accept cash, a cashier's check or a personal check with a guarantee letter from your bank that ensures that money is *solid*; no credit cards.

Comment from Julie Hill – We have flyers announcing the auction in the office, around the Park, on our website, Facebook and the San Luis Tribune newspaper. There is an estimated value for the Share that will fluctuate based on the total costs incurred by the Park from our attorney, SLO County, the newspaper etc. At the auction I will have a spreadsheet that lists the total costs incurred by the Park. All winning bids will be used to pay for those fees and anything above that will be remitted to the actual Owners that were foreclosed on. If you have any additional questions, please let me know!

Park Maintenance – Charles Nunes

One of the hot water heaters for the restrooms is no longer in working condition, and the state of the backup water heater is not much better. We are looking to replace both units with tankless water heaters, and Julie will report on that further under new business.

We recently hired a new staff member to work the evening shifts at the Park, his name is Brad. Be sure to wish him a warm welcome if you happen to see him drive around at night.

Financial Report: Brenda Critzer

| Accounts | Balance |
|----------------------------|--------------|
| Rabobank – Operating | \$205,491.94 |
| Rabobank – Laundry | \$14,896.61 |
| Rabobank – Dues | \$45,922.29 |
| Morgan Stanley Dean Witter | \$151,829.27 |
| Mission Bank CD | \$105,970.74 |

| Item | Sept 2018 | Sept 2017 | Difference |
|------------|-------------|-------------|-------------|
| Income | \$93,992.30 | \$74,552.23 | \$19,440.07 |
| Expense | \$69,449.31 | \$78,534.88 | -\$9,085.57 |
| Net Income | \$24,542.99 | -\$3,982.65 | \$28,525.64 |

If you look at our profit & loss from Jan – Sept, you will notice that year-over-year we are showing an increase in total revenue of 7.4% Our revenue increased \$42,887.26, from \$557,069.30 to \$619,956.56. Jan – Sept total expenses are up 9.8%, an increase of \$62,083.61. However, if you look at our net income (profit) from Jan -Sept, we are up 64.5% with a profit of \$129,879.04, compared to only \$78,964.98 last year. Wow! Great job to our Manager and staff.

Brenda Critzer made a motion to pay bills in the amount of \$48,252.40, payroll in the amount of \$11,519.19 and property tax in the amount of \$37,502.64, seconded by Mark Schieber.

Rules and Regulations – Mark Schieber

We are starting to discuss some minor changes to next year's rules; slight verbiage changes, possible changes to the schedule of Prime and Non-prime days, clearer definitions of what RV types are permitted to stay in the Park, etc. I don't see dramatic changes happening.

Public Relations/Publicity – Leroy Laird

Again, we experienced technical difficulties last month with sending out the guest surveys, so we are drawing from fewer responses than usual. The upside is that all these responses are positive! Not a single complaint was raised about our cleanliness or our value in comparison to the parks around Pismo Beach. Every guest said they will absolutely stay at our Park again, which is reassuring to hear. Of these guests, about 80% had stayed here at least once before, and the remaining 20% were first-time guests; always nice to see new faces at the Park.

Park Use – Brien Carlson

September's occupancy was down at 76.41%, compared to 83.59% last year. There was a marked dip in the amount of 33'spaces and pull-thru spaces reserved in September, which accounts for the drop in overall occupancy.

Manager's Report – Julie Hill

As Charles mentioned, Katya will be leaving us on October 19th for a more beneficial position for herself and for her son; I am proud of her!

Brad is our new maintenance employee working the night shifts. He is training right now, so you will notice 2 maintenance employees here at night for the next few weeks.

I do not have a replacement for Katya at this moment, and I cannot give anyone an ETA on when that might change. For the time being, please understand that our office will be closed for lunch at least a few days per week since we are down to just Aaron, Jennifer and myself in the office. If possible, I will work the front desk and the phones during lunch breaks but there will be times when I am unavailable to cover the office for that hour. Typically, we take lunch from 11:00 AM – Noon, or Noon – 1:00 PM. We always try to open before check-in time!

Our reservation software, RMS, was unable to send out reservation confirmations and guest survey requests for the better part of September. Thankfully we are back up and running again, so for November's meeting we should have more emailed correspondence from our guests than this month.

Old Business

1. Beach Club Events & Announcements – Glennita “Nink” Miles (Absent) – Brenda Critzer (Representing)

Nink is not here today so I will fill everyone in on the latest news from the Beach Social Club. Yesterday evening John Souza had a medical emergency and is being discharged from the hospital today. We are not sure what the problem is right now, but if you see him around please wish him well.

Next month on Saturday, November 10th the Beach Club is hosting a free hamburger lunch for our veterans and guests to celebrate the Veteran's Day holiday. There will be a flag ceremony at 8:45 AM, before the Board meeting, and we will serve lunch from 11:00 AM – 2:00 PM. Please join us!

We are also hosting a Thanksgiving potluck next month, so please look to the activities calendar in the office for more information.

I wasn't here for the last meeting, so I wanted to thank the Beach Club for redecorating the clubhouse; I love the beach theme, it looks great! Also, we contributed \$1,300 to the Park for landscaping improvements. Julie will share details on those designs at a later meeting.

2. Annual Meeting – Daytime Party BBQ – Brenda Critzer

The Beach Club will host the next annual gettogether, but we are transitioning to a luncheon and BBQ instead of a dinner & dance to help save on the tremendous costs associated with renting a large hall for an entire evening and hiring security, a DJ, etc. The Park, as a business, is trying to be more conservative with our expenditures and the Beach Club is joining in that effort. We really do appreciate all your support of our events and we look forward to seeing you after the Annual Meeting next year!

Leroy Laird made motion to pay for a \$500 deposit to reserve the Moose Lodge for the 2019 Annual Meeting & Luncheon, seconded by Mark Schieber.

3. Beach Club Contributions – Landscaping Upgrades – Brenda Critzer

Topic covered under committee report.

4. Ad-Hoc Committee Report – Assessment Update – Lorena Lemus

We are still accepting ballots through this week; they are due by Friday, October 19th by 5:00 PM. On Sunday, October 21st, the Ad-Hoc Committee will convene in the clubhouse with Julie to open the ballot box and start counting the votes. Members are very welcome to observe the proceedings if they so choose, but please remain respectfully quiet while we are working. The results will be announced to the Members after the Board has been notified of the outcome.

Comment from Julie Hill – The office staff has been working diligently to contact any Members that have not returned their ballot to the Park by phone or email, and we are seeing more returns based on those efforts. With that, a few persons stated that they did not receive a ballot. So far, only 1 ballot was returned to the Park from USPS, so I feel the office did their diligence in mailing to our Member’s current addresses. However, in all fairness with respect to the Park’s bylaws and our Member’s voting rights, I feel it is necessary to let everyone know that if you did not receive your ballot, then you may contact me via email or over the phone and I will be happy to count your vote so long as the Park does not receive the actual ballot with your Locker Number before the polls close. We will make every effort to make sure your voice is heard; this is part of my commitment as the Secretary of Elections.

5. Review Rates, Fees and Dues for 2019 – Julie Hill

The Board and I are in the process of reviewing rates and fees for next year, and currently we have a few options on the table. Honestly, the results from the Special Assessment play a huge factor in any estimates so I will defer this topic until next month when we have the results from the vote.

6. 2019 Budget – Brenda Critzer

October is the beginning of our operational and capital budgetary review, so over the next 2 months we will be working on the budget amongst the Board. Our focus will be on the Special Assessment and the capital improvements that we hope to make over the next 5 years if the Assessment passes. At this time, I don’t have numbers to discuss openly, but please rest assured we are planning for both contingencies regarding the Assessment vote.

Comment from John Watkins – I have been very critical of our Park’s budgets for years, even since joining the Board. The numbers read like they were simply made up. When I was President I stated that I wanted a sensible pro-forma budget for the Park, and I just wanted to say that I am very pleased with the effort that Brenda, Fernando and Julie have put forth to make sure next year’s budget is honest. It is being done the right way; the numbers are not coming from fantasy land, but instead from our history, current trends and our expectations.

Comment from Mark Schieber – Speaking of expectations, I want everyone to know that we should all expect a budget that plans to build a reserve for the Park again. This Board does not want to leave this Park’s future unplanned and unprepared like it has been in the past.

7. 2019 Rules and Regulations – Mark Schieber

As I mentioned earlier, I don’t foresee any huge changes to the rules and regulations in 2019. Some of the changes we are working on are related to the amount of Prime days, restrictions on hoverboards and scooters, etc.

Just so you are aware, sometimes problems arise in the Park and Julie must handle situations that pertain to violations of the current rules, or what I call the “nuts & bolts” of the Park. These situations are where several of the changes to the rules each year might develop from. However, I tend to notice that we might forget that so many of our rules in the Park are a matter of our personal conduct as Members. Our conduct is just as important as how we park our trailers, or what length leash our dogs are walked with. Please consider that so many of the problems Julie and the staff deal with every year could be resolved if we all stopped to take consideration to be neighborly and respectful of our fellow guests.

Comment from Joyce Aldrich (Locker 440) – Are we going to receive a copy of the drafted rules before they are finalized?

Response from Julie Hill – Today is the first time that the Board has seen the changes to the rules as recommended by Mark, so it will be a topic for the entire Board to discuss more openly next month. At a later meeting we will have a copy of the rules for everyone on the table along with the typical meeting information.

Comment from Kip Hayes (Locker 366) – Can there be an Ad-Hoc Committee created to discuss changing the rules and regulations?

Response from Charles Nunes – No, the rules and regulations are reviewed and amended by the Board only. Each year we deliver the rules as amended so that our Members stay informed.

New Business

1. Police Department Donation – John Watkins

The Pismo Beach Police Dept. has helped us out a lot over the last year, handling disturbance calls or driving through the Park late at night to make sure we are doing okay. The Pismo PD is hosting a Thanksgiving dinner this year to serve the homeless and less fortunate in our community, and I would like the Park to donate towards the event to show our appreciation for all the service the Police have provided us.

John Watkins made a motion to donate \$250 to the Pismo Beach Police Department for their Thanksgiving dinner and in recognition of their service to the Park, seconded by Brenda Critzer.

2. Announce Elections/Board Resumes Due by December 8th – Charles Nunes

The October meeting is the traditional date when the Board announces that we are accepting resumes from our Members that would like to run for the Board the following year. The Directors seats that are up for election in March will be Leroy Laird, Lorena Lemus and myself. If you would like to run for the Board please contact the office for the resume form, which consists of a few basic prompts outlining a candidate's background and their vision for the Park. All resumes must be submitted to the Board before we adjourn the December 8th meeting.

Comment from John Watkins – Just to remind everyone, this will be our first election with term limits in place. Remember that the Park's bylaws were amended by the Members this year to place a 2-term limit on the amount of consecutive terms that a Board Member may serve; the same Director may not run for the Board again for another 3 years following their second term.

3. Announce 2019 Election Chairman – Charles Nunes

I have appointed Tom Barcellos as the Election Chairman to oversee the elections next year and ensure the accuracy of that process. I am recommending that we form another Ad-Hoc Committee to conduct the actual counting of the votes next year. I feel that following the election this year, with John Souza volunteering to count the ballots, it is now a matter of proper order and form to continue that same dedication to involve our Members with election process.

4. Water Heater Replacement – Julie Hill

There are 2 hot water heaters installed in the restrooms to heat our showers, and right now one of those is broken. Our backup unit is very old, and my concern is that we might be left without a working water heater. I am working right now to get 3 bids for new hot water heaters. I will try to pursue a tankless water system, which would prepare us in case the Assessment is approved, and we remodel the restrooms in a year or two. Tankless is where the industry is going. I will have the bids for next month for the Board to vote on; the single bid I have is around \$10,000.

Comment from Leroy Laird – Seeing as how these repairs are really a part of what would be considered the restroom remodel, I might suggest that if the Assessment is approved we should pay back the cost of the water heaters to our operating account to make sure that is accounted for correctly.

5. Vortex Door – Contract/Repair – Julie Hill

The garage door to the maintenance shed is falling into disrepair; the railing is damaged. I am very concerned about the safety of this issue and I would like to work with Vortex Door to repair it. This company has serviced our laundry room door previously and I was satisfied with their repairs. It would cost about \$2,300; how does the Board feel about this?

Response from Charles Nunes – Julie, please try and get 2 more bids if you can.

6. Safety Training – Disaster Preparedness – Julie Hill

Going back to a California RV Association (CalARVC) conference that I attended in January, I learned a lot about how RV Parks need to plan for disasters. In doing so I began speaking with an expert on disaster preparedness, Patrick Hardy, who specializes in RV parks and mobile home parks. A few weeks ago, I attended a CalARVC conference up in Paso Robles and I met with Patrick again and continued our dialogue from before. I really want him to visit our Park so he can prepare a comprehensive disaster preparedness plan and also train our staff on what to do in the event of certain emergencies. Because we have built a professional relationship with each other over the year, he is willing

to work in a discount for his services and pencil us in his schedule between some larger clients he will be serving in SLO County.

His on-site work will take 2 days, and we will receive full hands-on training and a binder of instructions on what to do in event of an emergency that will be written according to our specific layout and requirements. This work will cost the Park \$1,499.98. I really feel that this work is necessary because the Park's current disaster plan has not been updated for many years now, and I would like to have our plans updated by a professional.

John Watkins made a motion to approve payment for disaster preparedness training up to a limit of \$1,500, seconded by Brien Carlson.

Comment from Ed Aldrich (Locker 440) – Can we please wait to see if the Assessment passes before spending money on this training? We should be taking care of our ADA obligations first; that is far more important.

Response from Charles Nunes – Any money that the Board spends on training for our staff or a disaster plan is drawn from our operating income. The Special Assessment will pay for our ADA projects if that is approved by the Membership, the Park does not have enough operational reserves available to fund these projects. Ed, I can see where you are coming from with your concerns, and I appreciate your feedback as a Member. Thank you.

7. City of Pismo Beach – Special 1% Assessment – Julie Hill

Pismo Beach is levying an annual 1% assessment for the beach lodging business improvements district. Starting January 1st, 2019, we will be billed for this additional 1% by the City of Pismo Beach because Holiday RV falls under the category of lodging and innkeeping. So, as the Board begins to review the possibility of raising dues and fees, please remember that expenses like this are a big factor in the Board's determination.

Comment from Joyce Aldrich (Locker 440) – If the Special Assessment should pass, can't the Park use part of the reserves from that to pay for the 1% assessment?

Response from Mark Schieber – That reserve would be use for our maintenance of the Park, not to pay for our taxes to the City.

Member's Comments

Joe Nunziato (Locker 115) – Julie, do we have enough ballots in to establish a quorum? Brenda, is the budget going to allow for an increase in our reserve fund each year in case we need to pay for repairs as they happen?

Response from Julie Hill – Yes, we do! We are receiving a much better response than the previous ballot, and we are still getting an influx based on the work our office has been putting in to calling and email Members. I really hope this is a trend and we can expect more votes from the Membership for the annual elections.

Response from Brenda Critzer – While the budget is not finished yet, we certainly are planning to draft a budget that will allow for the Park to save some money for reserves. To be honest, it is looking pretty good, but we really should wait to see how the vote goes for the Special Assessment.

Kip Hayes (Locker 366) – I keeping hearing about operational reserves and maintenance reserves, but shouldn't there only be one reserve account for maintenance only? If the Assessment passes, that will take care of our reserve account; operations should take care of themselves as long as business is steady, and we control our expenses carefully. If expenses continue to climb, then we should have a reason to start increasing rates and fees for Members.

Ed Aldrich (Locker 440) – Since we don't have definite plans for the restroom remodel, how can we be sure that new water heaters will fit into the plans we eventually draft?

Response from Julie Hill – Well, one plumber that I have been working with more closely than others informed me that based on his understanding of our restrooms, we will need new water heaters soon. He is very aware of where the Park is going since I have asked him directly "is this going to accommodate us if we remodel the restrooms?" Tankless water heaters are so much smaller than traditional systems, so it should not be much of a problem even if we had to move them around later.

Wayne Norton (Locker 478) – Julie, with regards to the company that is working on our doors on the maintenance garage, are we certain that this company can service both types of doors that we have in our Park?

Response from Julie Hill – Yes, Vortex Door was here a few months ago to repair the laundry room door so they can repair the garage door as well.

Board Member's Comments

None.

All Motions

Mark Schieber made a motion to approve the minutes from the September 8, 2018 meeting, seconded by John Watkins. Roll Call: Brien Carlson, Brenda Critzer, Leroy Laird, Lorena Lemus and Charles Nunes voted yes. Tom Barcellos and Fernando Da Silva absent. Motion carried.

Brenda Critzer made a motion to pay bills in the amount of \$48,252.40, payroll in the amount of \$11,519.19 and property tax in the amount of \$37,502.64 seconded by Mark Schieber. Roll Call: Brien Carlson, Leroy Laird, Lorena Lemus and Charles Nunes voted yes. Tom Barcellos and Fernando Da Silva absent. Motion carried.

Leroy Laird made motion to pay for a \$500 deposit to reserve the Moose Lodge for the 2019 Annual Meeting & Luncheon, seconded by Mark Schieber. Roll Call: Brien Carlson, Lorena Lemus, Charles Nunes and John Watkins voted yes. Tom Barcellos and Fernando Da Silva. Motion carried.

John Watkins made a motion to donate \$250 to the Pismo Beach Police Department for their Thanksgiving dinner and in recognition of their service to the Park, seconded by Brenda Critzer. Roll Call: Brien Carlson, Leroy Laird, Lorena Lemus, Charles Nunes and Mark Schieber voted yes. Tom Barcellos and Fernando Da Silva. Motion carried.

John Watkins made a motion to approve payment for disaster preparedness training up to a limit of \$1,500, seconded by Brien Carlson. Roll Call: Brenda Critzer, Leroy Laird, Lorena Lemus, Charles Nunes and Mark Schieber voted yes. Tom Barcellos and Fernando Da Silva. Motion carried.

Meeting adjourned at 10:25 am

Respectfully Submitted,

Lorena Lemus

Board of Directors – Secretary

CC

Aaron Cartwright

Senior Reservation Agent