



**Holiday RV Park Owners Association
Board of Directors Meeting
November 10, 2018**

Board of Directors

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

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

Members Present

20

Meeting was called to order at 9:04 am by Charles Nunes

Flag Salute by the American Legion (Post 136 – Arroyo Grande)

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 October 13, 2018 meeting was made by Fernando Da Silva and seconded by Leroy Laird.
10. Charles Nunes expressed his thanks to the American Legion for assisting with the flag raising ceremony today, and to all the veterans staying in the Park for their service. Tom Barcellos made a motion to donate a \$100 contribution to the American Legion (Post 136) in recognition of their service, seconded by Brien Carlson.

Correspondence – Leroy Laird

I will split my report today, since I did not receive comment cards from last month. Looking at the guest satisfaction survey from October, you will notice that 27% of our guests that responded were first-time visitors. It’s always nice to see new faces in the Park. 97% of our guests said they would be likely or very likely to recommend our Park to their friends. The cleanliness of our facility received very high marks, but roughly 10% of guests said that our dog run needs improvement. I’ll share some of the comments from the survey later as a part of the public relations report.

Committee Reports

Management – Fernando Da Silva

I always like to begin with a reminder to speak with Julie if you have any questions about the Park or if you see an issue that needs to be addressed by her or the Board. Also, I wanted to thank all the Members that helped to sort and count the ballots from the assessment vote.

The Park is changing bookkeepers in the coming months. This will save the Park a significant amount of money every month, and this bookkeeper will work from the Park Office so there will be much better communication and hopefully less errors than we have with our current bookkeeper. Her name is Liz and she will join us here today to speak with the Board in case anyone is interested in meeting her.

Collections – Tom Barcellos

I would like to share an example of what our current bookkeeper is doing and help explain why the Board is going to work with a new company. After the Park sent out the dues for July, I happened to notice a Member with 5 Lockers, 4 of

which were listed as past due. However, their other Locker had a *huge* credit posted to it because the bookkeeper did not apply their payment to the 4 other shares. I brought this to the bookkeeper's attention, but these same mistakes continue to happen. So, I just want everyone to understand that the Board is not replacing bookkeepers just because we feel like it. We are trying to make sure that the Park receives the most accurate information and ensuring that we are completely satisfied with the services that we are paying for.

Now, in terms of collections, we are moving right along and are down to \$3,800 past due. \$1,622 of that balance is attributed to the 3 Lockers are going to be auctioned off on Thursday, November 15th. The foreclosure process has taken many months, but it will be a relief to finally pay off that long-outstanding balance.

Park Maintenance – Charles Nunes

The hot water heaters for the restrooms were replaced this week with 3 brand-new, tankless water heaters. The plumber found an old gas line that was leaking within reach of an open flame; in his opinion, it was a miracle that the building did not explode! 1 of the new units is more of a back-up water heater, when all the showers were turned on to stress test the system it only activated 2 of the 3 heaters. So, under heavy use during the summer months that 3rd unit will start to come into play.

Comment from Julie Hill – Just to be transparent and give everyone here full disclosure, I did receive 4 bids for these new water heaters. However, I did not go with the cheapest bid based our need for quality work; this is a big investment for our Park. Overall, we are very pleased with the plumber's work and he actually helped secure a \$2,400 rebate on the water heaters from the gas company.

Comment from Brien Carlson – Charles, in addition to the leaking gas line, there were major leaks coming down from the old water heaters. Stalactites were forming on the ceiling and there was so much sediment inside the old heaters that it took several hours for the steam to release because of the buildup. A replacement was long overdue.

Financial Report: Brenda Critzer

Park Accounts	Balance (10/31/18)	Monthly Comparison	Oct 2018	Oct 2017	Difference	% Change
Rabobank – Operating	\$244,180.61	Income	\$79,844.66	\$70,779.54	\$9,065.12	12.8%
Rabobank – Laundry	\$16,437.61	Expense	\$66,963.85	\$71,922.50	-\$4,958.65	-6.9%
Rabobank – Dues	\$8,419.65	Net Income	\$12,880.81	-\$1,142.96	\$14,023.77	1227%
Morgan Stanley Dean Witter	\$151,689.50					
Mission Bank CD	\$105,970.74					

Our gross profit from October shows a \$9,000 increase over last year, from \$70,779.54 to \$79,844.66. Total expenses were down \$4,958 over last year, which shows great improvement from our staff. In turn our actual net income was up dramatically year-over-year.

Brenda Critzer made a motion to pay bills in the amount of \$54,644.29 and payroll in the amount of \$11,569.41, seconded by Fernando Da Silva.

Rules and Regulations – Mark Schieber (Absent) – Charles Nunes (Representing)

Mark is not here today, but just as a reminder to everyone, if you see any rule violations that need to be addressed or if you have questions about any adopted rules and regulations please speak with Julie. She is also continuing to inspect Snowbird and Monthly spaces as needed.

Public Relations/Publicity – Leroy Laird

For a Park of our size, publicity really means “word of mouth,” so we strive to make sure our guests are satisfied and encourage their friends and family to stay at the Park. Here the survey comments from last month:

- “Keep up the good work.”
- “I'm concerned since the assessment vote didn't pass what the plan will be to get the repairs done that are so desperately needed to really make our Park excellent in all areas. Our stay was wonderful & very relaxing, but heard remarks from other visitors about the showers being yucky & in need of remodel.”
- “Loved it, we'll be back!”

- “Sites could be a little larger...parking is a problem.”
- “My main concern is the restrooms. Upon opening the door, I could smell mold, and for anyone with allergies this could be a health issue. The shower stalls have mold all in the grout. Bad enough to make a person think about if they are clean. A friendly suggestion is, perhaps whoever cleans the restrooms they could power wash the stalls. And to do that at least once a month. There are floor drains, so I know that would be possible. On the positive side, all the staff is friendly, polite and very helpful. Both office and maintenance personnel make a great team. I hope my concerns can be fixed.”
- “Mike and Brad were awesome showing us to our lot when we arrived and made sure we made it in safely! Great guys! Thank you Holiday RV!”
- “Great staff.”
- “The Wi-Fi has been great. The night staff was really great on assisting me on parking into the stall.”
- “Spaces are a little tight.”
- “Your outside crew is great, great personalities.”

Park Use – Brien Carlson

Park occupancy last month was up a little bit over last year, from 76.78% to 77.10%; we are right on target.

Manager’s Report – Julie Hill

Well, I don’t have much to report on from last month. I would like to take a moment to thank all the Members that visit the Office and ask questions; we are always happy to assist you. This past week we’ve fielded *a ton* of questions about the auction on Thursday, which has been a little overwhelming at times. I really appreciate everyone’s patience while waiting on the Office staff because we were sitting at our desks tied up on the phone.

You will notice plenty of cars parked in the front lots on Thursday because of the auction, but that parking will only be during the auction. Starting Friday, the Park is scheduled to be very full through the weekend following Thanksgiving, so please be aware that extra vehicle parking will be limited or unavailable for at least a week.

Comment from Steve Scottish (Locker 39) – For the Lockers that are up for auction, do we know the total amount of fees that is owed for each Locker, or at least the ballpark figure?

The final amount will vary between each Locker, but I will have a spreadsheet on Thursday morning with the exact total of past dues, attorney’s fees, county fees, postage fees, advertising fees, etc. A ballpark figure would be around \$6,500 per share, give or take. Please try to think of that estimate as the minimum bid per Locker.

Old Business

1. Beach Club Events & Announcements – Glennita “Nink” Miles

Today is our salute to our veterans, so we are going to serve a free lunch of burgers and beans over at the Magnolia Center. Please join us this afternoon because everyone is welcome, in addition to our vets. On Thursday, November 15th the Beach Club is hosting a Thanksgiving dinner up the clubhouse. We will provide turkey, ham, mashed potatoes, gravy and dressings for everybody, but we encourage you to sign up in the Office and bring a side dish or a desert to the dinner.

2. Annual Meeting – Daytime Party BBQ – Brenda Critzer

Next year’s Annual Meeting and party will be sponsored by the Beach Social Club and we are looking forward to hosting everyone to a wonderful lunch following the Annual Meeting. Events will be held at the Moose Lodge in Pismo and we are planning to have some fantastic door prizes and raffle prizes just like the previous party. We will have more information to share over the next month, and every Member will receive their invitation with the annual mailout.

3. Ad-Hoc Committee Report – Assessment Update – Charles Nunes

Lorena, I understand you were working with Julie and few other Members to count the ballots. I’d like you to share your experience with the group:

Comment from Lorena Lemus – The tabulation process went well, and Julie did a great job organizing everything. I see a few Members here today that participated and were kind enough to support us. The Board appreciates the countless hours that the ad-hoc committee volunteered to help with this assessment process, we were very pleased to work more closely with our Members than before. Although the assessment did not pass, and it was very close, it is a reflection that the Board and the Membership are trying to drive this Park in the right direction. We hope to continue to see more

participation from everyone moving forward. Thank you to all the Members that turned their ballots in on time and expressed your love and support for the Board's efforts, it means a lot to us.

Thank you, Lorena. I would like to point out that while the assessment did not pass the threshold required for approval, the results were more than 2 to 1 in favor of the assessment. This Board still has its due diligence to see the ADA improvements completed, but for now we will take several months to research what our options are. A huge thanks to all the many Members that provided their feedback to the Board and to the Park staff over the last few months, I certainly appreciated hearing your comments.

Comment from Tom Barcellos – I think it is important to stress that this Board is not going to sit around doing nothing about the ADA improvements; some of the project items listed were within the cost range of a few thousand dollars and we will complete those as soon as we can. The big-ticket improvements like the restrooms and the elevator will have to wait, but please do not think that we are dead in the water. This Park will continue to move forward, but at a snail's pace instead of a rabbit's pace.

4. Review Rates, Fees and Dues for 2019 – Fernando Da Silva

Prior to the results of the assessment ballot, the Board prepared different options of raising our rates and fees based on the possibility of the of the vote being “yes” or “no.” No matter what, business must continue as usual and our bills must get paid; that is our responsibility as your Board. We have a variety of customers that pay money to enjoy this Park, some Non-Members, some Snowbirds and some Monthlies. Being Members ourselves, the Board has an obligation to treat everyone in this Association equally, regardless of how some Members think we should. So, just to be clear, we are not going to raise monthly fees, daily fees or dues excessively just to try and make up for funds that we are unable to collect from an assessment. The Board is not looking to “punish” our Members just because the voting did not result in the outcome we wanted. We are looking at a reasonable 5-10% increase in rates and fees based on our history; most years we have increased rates and fees from 3-5%, but some years the Board did not raise rates and fees. This left the Park trading water as a business. If we continue to carefully raise our rates and fees over a yearly basis, our situation will continue to improve.

John Watkins made a motion to adopt rates, fees and dues increases for 2019 of 10% for Non-Members and 5-10% for Members, seconded by Fernando Da Silva.

5. 2019 Budget – Under Review – Brenda Critzer

Topic deferred until next month.

6. 2019 Rules and Regulations – Julie Hill

Topic deferred until next month.

7. Board Resumes – Reminder – Julie Hill

Last month the Board announced that we are accepting resumes from any Members that would like to run for the Board next year. The Directors seats that are up for election are currently held by Leroy, Charles and Lorena. We have a specific format to follow, which outlines where you are from, what your work experience is and what your vision for the Park is. Please remember that you must return your resume to the Board before the end of next month's meeting. We also need a clear, color photo too!

New Business

1. Ad-Hoc Committee – Amendments to CC&Rs/Bylaws – Charles Nunes

Covered under committee report.

2. Pool Accessibility Lifts – Julie Hill

The Park has two powered lifts at the pool and spa so our guests with disabilities can enjoy the facilities, but they are not working because the batteries have died. They are from 2012, so this is not surprising. The price from the manufacturer for new batteries is \$754.60, I was hoping to get the Board's approval today to purchase them. The pool lifts are something that the Park cannot afford to leave non-operational, obviously for ADA compliance reasons.

Comment from Tom Barcellos – Julie, can I have the specifications on those batteries? I know a company in Tulare that sells almost every type of battery that you can think of. I'm sure I could come back with a much better price than the manufacturer.

Comment from Charles Nunes – Tom, if you would work with Julie on that and report back to us next month, that would be appreciated. It's worth trying to save some money to look further into it. Julie, please make sure the lifts get a sign on them explaining they are non-operational.

Member's Comments

Gerry Brown (Locker 1) – I would like to talk about a few things today, if you don't mind me going over on my two minutes today! In reference to generating more revenue for the needed improvements, I might suggest that the Board look into changing the dates of the prime-time season and the Snowbird season next year. Maybe extending it from May – October would help the Park pick up more revenue from off-the-street customers and our Owners that Snowbird.

Next, I know that we've had problems with the Wi-Fi for years now. Could I suggest the Park designates a building like the clubhouse as a hotspot? I think if we offered strong service from a convenient location that could serve many people it might please our guests more than struggling to provide weaker service to the entire Park as a whole. Those persons that are here long-term can purchase high-speed internet from Spectrum at their own leisure; that's what my wife and I do when we stay in the Park.

An observation, based on our travels to campgrounds all over the country, is that it is very common for RV parks and campgrounds to meter the usage of their showers to save on water costs. The average cost is \$1 for 4 minutes of hot water, and if the Park charged a similar amount then we could easily generate tens of thousands of dollars in additional revenue every year.

During our meetings, it is often stated that a reserve account for the Park is mandatory. I recall from meetings several years ago that it was only *suggested* by our financial advisors that we have a reserve account; if it is required by law I would appreciate knowing what that law states specifically. It doesn't seem logical to hold \$200,000 or more into a reserve account that is technically not allowed to be spent.

I think that we all want as much participation from our Owners as possible, is there a mechanism that could allow for ideas from Owners to be presented in the minutes? I had sent an email about the assessment with my thoughts on the topic and I noticed that it was not reflected in the minutes to the meeting.

Lastly, thank you to Julie. The Park looks absolutely great, and we are very, very pleased to be back in the Park!

Response from Fernando Da Silva – As Management, please feel welcome to contact me directly anytime you want to, and I will do my best to report to the Board on your behalf. If you are wanting to have your correspondence shared with the other Members, I think that Leroy would be the best person to speak with since he is our Public Relations Director.

Response from John Watkins – Gerry I can give you an example of using a reserve account from my personal life. The property where I live at in Kern County is being assessed \$185 per unit for the cost of building a new swimming pool. It was necessary to pull money from our reserve account to finance the construction, and our assessment will repay the reserve account. But the money had to be there in the first place, in case of emergencies or required improvements.

Response from Julie Hill – Since you've last stayed in the Park, the Wi-Fi has gone through several upgrades in service at no additional cost to the Park as a business. First was an extensive replacement of damaged cable connections throughout the entire property, followed by some trenching to make sure the Park is ready for fiber-optic service. In the meantime, while we await the final upgrade, Spectrum replaced several of our oldest Wi-Fi antennas with much faster, modern equipment. I'm glad you mentioned the clubhouse, because right now it does function like a hotspot due to the powerful antenna that was installed above the patio. The Wi-Fi speeds are now very fast when someone is using their devices inside or right outside of the clubhouse. Spectrum claims that our service is now 4 times better than what it used to be, and our IT department said that is not an exaggeration!

Virginia Delmage (Locker 73) – I agree with a lot of Gerry’s suggestions, but I have noticed in my own travels that charging for use of a shower is more common in the state parks and campgrounds. I’ve never visited an RV park that has metered showers. However, we seem to have a lot of young folks staying here that use our showers much too long, sometimes 30 minutes or more!

Debra Oliveira (Locker 278) – Last night I rinsed off after using the pool and the showerhead there really needs to be replaced. Also, the showers over at the main restroom were difficult to position because there is not a swiveling showerhead installed. Just a simple showerhead that swivels would be convenient for children or shorter adults to use and enjoy the facilities more. I also noticed that we only have one little bench in the women’s restroom. I seem to remember there being more than just a single bench from our previous stays. A second place to sit down would be very nice to see; maybe the Park could install smaller flip-down seats in the individual shower stalls.

Lastly, thank you to the Board for doing a great job managing this Park. I’m sure it can feel like a thankless job sometimes, but I really appreciate all that you are doing.

Anna Brown (Locker 1) – I just wanted to say how nice it was coming back to the Park after six months away and to see the improvements to the clubhouse, it really sparkles. The restrooms look sparkling clean too, and the sites are looking well-kept. The cleanliness makes a great first impression for the customers that stay here. I noticed people coming in and out of the mobile home, has that been rented out? Lastly, can we post some of our positive survey comments to our Yelp page or our Facebook page?

Response from Charles Nunes – as Maintenance, I have been working with Julie to make sure that our staff is cleaning the Park and our sites more diligently than before, so it’s nice to hear that you have seen the difference.

Response from Julie Hill – A major change in business practices from before is that our maintenance staff used to do everything around this Park. What I mean by that is our staff used to be diverted away from their regular work of cleaning and taking care of the Park by jobs that really should have been performed by general contractors, electricians and plumbers. Now they have the time to focus their attention on doing the job they should be doing.

The mobile home is rented out through June at a rate of \$2,250. It’s been a nice revenue source since last summer.

I have spoken with a friend of mine that works in advertising and marketing and her advice was to encourage our guests to leave positive comments of their own on Facebook or Yelp to help drive any negative reviews further down the webpage or feed. However, if I start posting or replying to negative feedback with counterpoints or good reviews as the Business Manager it creates an issue of whether the comments are credible. Your comments as Members and guests have much more value.

Board Member’s Comments

Comment from Brien Carlson – I forgot to mention this previously, but when the water heaters were installed, we noticed that the thermostat in the restrooms was running throughout the night. I really think that we should consider purchasing a new unit with a timer so that we can heat that building more efficiently.

Comment from Tom Barcellos – Debra, I wanted to thank you for your appreciation today. As I’ve said before, I believe that everyone on this current Board has the Park’s best interest at heart. I sincerely mean that, and I thank you again for your acknowledgement.

Comment from John Watkins – Thinking back to my first term on the Board, I thought it was horrendous. We had no cooperation with each other and the situation amongst us always felt like turmoil. After I left the Board I waited a year before running again, which I’m thankful for. It gave me time to reflect and I feel that our Board has achieved greater progress than any previous Board I’ve seen. Just look at the value of our shares; I sincerely doubt that the shares being auctioned off next week will go for less than \$10,000 each. There was a time a few years back where I could have purchased all three of those deeds for maybe \$21,000. I believe we are on track to get our share values back up to where it used to be, \$14,000-\$15,000. I would like to thank my fellow Board Members for helping to achieve such great progress.

Comment from Fernando Da Silva – I wanted to thank all the Members here today and give my perspective on the assessment. Some of us have been dwelling on the assessment not passing. Certainly, the Board was extremely invested in seeing it pass. I've been on the Board for five years and I must tell you that it takes a long time to get to where we are today. While it is disappointing that it didn't pass, consider the achievement in getting a real proposal on the ballot and coming so close to passing. Consider that it was the highest voter turnout in years. The reason I thanked everyone here today is because we could not have done this without your support. The Members that participate and attend the meetings each month help drive the Board and fuel discussion that leads to achieving progress for the Park's best interest. You are all a part of the reason why I get up at 4am to drive down to Pismo and attend these meetings, the Board relies on your support as Members to help the entire Park move forward. We do not forget that.

Comment from Brien Carlson – When I served as President I remember us struggling with the amount of idle gossip and rumors circulating throughout the Park. I'm happy to say that the situation has improved a lot in recent years thanks to our efforts as a Board to be more transparent and work more closely with our Members. There are a few folks left out there that continue to spread rumors around our Park due to personal agendas or a desire to undermine us, but as a reminder to everyone, if you ever have a question for the Board please ask us. If it is something you would like to discuss privately after the meeting is adjourned, just ask one of us. We are here and willing to discuss Park business with all of you.

All Motions

Fernando Da Silva made a motion to approve the minutes from the October 13, 2018 meeting, seconded by Leroy Laird. Roll Call: Tom Barcellos, Brien Carlson, Brenda Critzer, Lorena Lemus, Charles Nunes and John Watkins voted yes. Mark Schieber absent. Motion carried.

Tom Barcellos made a motion donate a \$100 contribution to the American Legion (Post 136) in recognition of their service, seconded by Brien Carlson. Roll Call: Brenda Critzer, Fernando Da Silva, Leroy Laird, Lorena Lemus, Charles Nunes and John Watkins voted yes. Mark Schieber absent. Motion carried.

Brenda Critzer made a motion to pay bills in the amount of \$54,644.29 and payroll in the amount of \$11,569.41, seconded by Fernando Da Silva. Roll Call: Tom Barcellos, Brien Carlson, Leroy Laird, Lorena Lemus, Charles Nunes and John Watkins voted yes. Mark Schieber absent. Motion carried.

John Watkins made a motion to adopt rates, fees and dues increases for 2019 of 10% for Non-Members and 5-10% for Members, seconded by Fernando Da Silva. Roll Call: Tom Barcellos, Brien Carlson, Brenda Critzer, Leroy Laird, Lorena Lemus and Charles Nunes voted yes. Mark Schieber absent. Motion carried.

Meeting adjourned at 11:32 am

Respectfully Submitted,

Lorena Lemus

Board of Directors – Secretary

CC

Aaron Cartwright

Senior Reservation Agent