

RRPOA Newsletter No 10
September 15, 2008

Here is the latest news from Rocky Ridge.

Directors Election: Gene Campbell, Bill Trevor and Marsh Shambarger were re-elected. Seventy ballots were turned in (out of 102 Owners), exceeding the minimum of 52 required for a valid election.

Annual Owners meeting on August 30, 2008: We had 36 unit owners attending the meeting plus another 37 signed proxies for others to represent them at the Board making 73 represented owners, exceeding the 52 required for a quorum. Draft meeting minutes are attached, but here are the highlights:

- The reconstruction of 24 units with flat roof entry canopies to peak roofs will begin this fall. Yates will advise each relevant Owner before starting on their unit.
- The 2 defensible space projects to remove ground cover and selective trees both in and along side our property are nearly complete. The slash piles on the property will be chipped, while those on the State Park property will be burned after the first snowfall. These projects significantly reduce the risk to our units of a rapidly spreading forest fire.
- The Beach and Clubhouse reservation process was clarified. The Rules say a reservation gets both clubhouse and beach exclusively and is for a 15 person minimum, but intent is to allow such reservations for only organized events, where privacy and quiet enjoyment of the facilities is a high priority, e.g., for a wedding or anniversary. Yates has been able to avoid conflicts by working with individual Owners to ask them to share the beach and clubhouse for any other type of gathering.

Owners BBQ

The traditional BBQ following the meeting was a great success. The weather was cooperative, the food was delicious, and the Owners enjoyed the time to socialize and catch up with each other.

Budget

There was a question on how the budget and various accounts work. Here is the simplified version:

There are 3 major accounts:

- Operating Account for the utilities, maintenance, landscaping, deck oiling, snow removal, etc. This is funded by \$1,849 of your \$2150/quarter dues. This totals \$754,392 per year of income from dues for the 102 units.
- Capital Reserve Account for the scheduled replacement of fixed assets as required such as roofs, paving, sealing, pool buildings, etc. This is funded by the

remaining \$301 of your \$2150/quarter dues. This totals \$122,808 per year of income from dues for the 102 units.

Capital Reserve Accounts are required by the state and must go into considerable budget detail by fixed asset, by year. Yates and John Bertone, our Treasurer, spend significant time to put this together each year, and we watch the expenditures closely. For 2008, the forecast capital expenditures budget is \$119,834 per Schedule 2 of the April 26, 2008 letter to you.

The rules defined by the state allow for funding of the annual Capital Reserve Account from dues, special assessments, or loans. Historically, RRPOA boards have funded it from dues.

- Rental Property Account for the office building near the gatehouse rented by O’Neal brokers, and 2 contractors who rent space in the RRPOA maintenance office/shop to the east of the office building.

The first 2 accounts are non profit (meaning non taxable), while the Rental Property Account is taxable. The Rental Property Account, charging market rent, is profitable each year, allowing us to transfer the profits (after paying tax) to the Operating Fund, and thereby reducing the dues you pay. If the Capital Reserve Account is short, we can transfer funds from the Operating Account if needed. However as mentioned at the meeting, if the Operating Fund is short, it can only borrow from the Capital Reserve Account, and the loan has to be repaid. RRPOA has not had to do either in recent memory.

Charter Communications and HD

As an alternate to installing a dish antennae, Charter communications, the local cable provider (whose office is now at 214 Village Blvd in Incline Village, NV) now offers High Definition on 3 channels: 2, 4 and 8 (CBS, NBC and ABC) from Reno. More are believed on their way. The Board does not favor either a dish or cable, and leaves the choice up to the individual owner. The only relevant issue for the Board is that dish installations require Yate’s prior approval so they are in a location that is the least visible from neighbors, streets, etc.

Next Board meetings

Per state law, Board meetings are open to the members. Contact Marsh or Phil for the address if you would like to attend.

Proposed next RRPOA Board meeting dates

| Day | Date | Time | Location |
|------------|------------------|-------------|----------------------------|
| Monday | October 20, 2008 | 1 pm | Bravo Farmer’s Foster City |
| Monday | February 2, 2009 | TBD | TBD |
| Monday | April 6, 2009 | TBD | TBD |
| Saturday | May 23, 2009 | 9 am | RR Clubhouse |

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| Saturday | Sept 5, 2009 | 9 am | RR Clubhouse |
| Monday | October 19, 2009 | 1 pm | TBD |

Rocky Ridge Board of Directors