



Lake Tansi POA Dispatch

Published by the Lake Tansi POA Board of Directors

Volume 2008-35 10/25/08

Board Chairman's Address October, 2008

I would like to thank the staff of our General Manager for their assistance this year, the members of the board and David Sutton, our General Manager.

Good changes have occurred this year and our new cottages are a real asset to our community. When changes occur and they generate monies to the bottom line, these changes are what we need more of.

We see continued growth in the community with 45 new homes and 4 mobile homes this past year. This does not include 4 new home permits issued this week. Obviously, more people are moving into the community requires continued improvement, maintaining and increasing the amenities.

Our growth over the past ten (10) years has changed a quiet retirement area. This brings up the subject of our out-of-date covenants. Here is an area we have to address. How are we going to update and change the covenants that were written to basically sell property? We will continue working with our attorneys to investigate all options.

Another area we will continue working with is the County Health & Safety Standards Department. We have had several properties cleaned up and will continue to strive to improve our properties. We have supported the County Health & Safety Standards Department by paying for clean-ups, trailer removal, etc as set forth by the county officials. This avenue allows us to keep property values up.

The last item I would like to talk about is the budget. You can see in the Agenda for this evening we have the adoption of the budget for 2009, subject to revisions. Later on this evening we will find out if the requested dues increase has passed or failed. Obviously, if failed our task is going to be harder. Our board members have been working very hard to understand the recommendations being presented in the budget.

We have reviewed all areas of potential income and expenses. We have all experienced this economy with high gas prices, utility increases, fertilizer cost, etc. The POA has been hit hard with additional \$20,000 plus in minimum wage increases, triple cost of fertilizer and 20% increase in utilities, to name a few. The Finance Committee has recommended preparing a turn around

plan to offset potential losses we might face. There have been cuts made in some areas. Hard & Difficult decisions still have to be made.

One area still under review is the 19th Hole. We now have a Food & Beverage Committee and their recommendations could affect the bottom line. Studies like the Food & Beverage are very much needed and it is the Boards feeling we need more committee review and recommendations.

With the Board's understanding of the budget, its income and expenses, we can have a good year for 2009 and the future. We have a Board that has put in many hours asking questions and providing suggestions. Our General Manager has done a great job in preparing this proposed budget under the circumstance of a down year and high costs. I quote David, "I have had a hard time sleeping and my stomach is churning just thinking about this budget". I can second his comment after going through the budget process for many years of my working life. There are many thoughts that go through your mind --- Is the income presented achievable and have we covered all expenses. You will ask these questions.

Again, I want to express my gratitude for all your help and suggestions we have received this year. I especially want to thank our Board of Directors for the many hours they worked, especially during the budget process.

Respectfully

Mike Ferry
Chairman