

MINUTES
SUN CITIES RV COMPOUND, INC.
Annual Members Meeting
Palm Ridge Recreation Center, Sun City West AZ 85375
February 22, 2023

The Board meeting was called to order by the President at 10:00AM, followed by the Pledge of Allegiance. Secretary John Groothuizen confirmed a quorum for conducting business was present. Board Members present were Dick Hobbs, Tim Barber, Clint Viergutz, Bob McKay, John Groothuizen, Paul Sperry, Bud Meador and Gary Tayar. Also present were General Manager Tony Wagner and Attorney James Hinton.

President Dick Hobbs welcomed all members and thanked them for attending. He stressed the board values feedback and input from the members during the meeting. He then introduced the above listed Board Members, Directors and Attorney.

The Secretary noted that the minutes of the previous Annual Meeting were contained in each member packet and were published. Additions or corrections were requested from the members with none noted. Minutes were unanimously approved by voice vote.

Treasurer Clint Viergutz provided the Treasurers Report with a copy of the 2021 and 2022 comparative Profit and Loss Statement provided in member packets. He also indicated that our net worth was \$2.9m. Also reported that cash on hand is \$1.2m. The compound is debt free and is saving for the next covered parking project. Clint addressed several questions from the floor related to differences between 2021 and 2022 summarized as follows:

- We continue to invest cash reserves in US Treasuries to maximize income and manage cash.
- Payroll was down in 2022 due to staffing gaps, not reductions.
- New resulted in about \$11K in refunds.
- Increase in Legal and Accounting was due to change in Accounting firm required when previous firm withdrew.
- Clint did not recall why Licenses and Permits increased from \$3K to \$8.4K, but speculated due to repair activities. He we review and respond to the member.
- We do not anticipate material increases in utility costs.

General Manger Tony Wagner introduced the Compound staff and thanked them for their support and hard work. He then presented a review of 2022 highlights including:

- A fire in January 2022, damaged or destroyed about 15 units. The unrecovered cost to the compound was under \$1000, as owners are responsible for their own units. Tony urged members to review their insurance.

- Bathroom was reopened and monitored with new security cameras monitor door.
- Tony review major work during the year including recovering of the wash bay, the summer monsoon wash-out repairs, and the roadwork. The new tractor purchased during the year allowed compound staff to do some of the repairs themselves rather than contracting out.
- He highlighted policy enforcement and clarifications of the “no commercial use” rule, and reviewed the new policy allowing absent owners to self-measure units to get on the list.
- Tony discussed 2023 plans including work on security cameras, additional road repair, and replacement of carpet and some furniture in the offices. He also stated we plan to build and Additional covered parking behind the existing in 2024.

Dick and Tony then addressed several questions from the floor summarized as follows:

- The refund policy did not make a significant difference in the wait list as several new members are immediately applying for a second space.
- Insurance requirements were questioned, Tony will clarify for the member.
- We do not anticipate the need for Fee increases in the near future.
- The new covered parking has a payback of 4-5 years.
- The compound enforces minimum requirements for units (must be able to be moved and have current tags) but per our bylaws does not have requirements on use or appearance. If maintenance or security notices flat tires or damage owners are informed.
- The waitlist is currently for new members is about 150, the covered parking waitlist is about 300.
- No instances of catalytic converter theft or vandalism were reported in the compound. Tony stated that security procedures and patrols have been improved.
- A member asked about response to fire risk for Lithium-Ion batteries. Tony will research.
- We researched solar option for the new covered parking but determined not feasible.
- To maintain and attract staff, the board conducted a wage review using DOL stats and adjusted staff wages to be more competitive.

There being no further questions, President Dick Hobbs closed the meeting at 11:03am and we stood adjourned until next year.

Submitted by Secretary,
John Groothuizen