



2010 Treasurers Summary Report



As your Treasure I am happy to report that 2010 ended on a positive note. Income was 3.5% higher than anticipated and expenses were 7 % lower than budget.

We have 1.9 million dollars in our reserve/membership account which has allowed us to continue to purchase new maintenance equipment, repair and resurface roads, repair our common properties and update our Dam structure without an increase and our debt remains zero because of the reserve.

Our next goal is to create a strong operating fund that for the last few years has seen a dramatic decrease in operating income and increased expenses. Some of the reasons are the low interest rate, escalating electric and fuel cost, increases in benefits for our employees and higher property owner's delinquencies which have resulted in over \$500,000 of bad debt and growing.

While I have been able to obtain Federal grants from DCNR the last four years totaling approximately \$125,000 it has helped in the operating budget obtain signage, underground water storage, dry hydrants, chipping equipment, property owners van, security updates and a very successful lot clearing program these grants are also dwindling.

This year after consultation with our accountant and reviewing practices of successful communities, I would like to propose that the Property Owners vote to carry over the 2010 excess funds of \$114,231 to an Operating Contingency Account (rainy day).

This account could only be used to OFF-SET any shortfall in the operating budget to prevent increases to the Property Owners dues which remain one of the lowest in the region.

This year's contribution would represent 7.9% of the 2011 operating budget of \$1,436, 350 with recommendations to keep 10% of the operating budget in this type of account.

I am confident that if the Property owner's vote for this measure and the Board continues to be prudent in spending, formulates a plan to collect delinquency monies, our dues will remain steady for years to come.

Thank you for your continuing support.

Ron McCuen
Treasurer