



In lieu of our Annual Meeting, the Board has decided to provide the following recap normally presented at the Annual Meeting. This will also be available on the website at www.MVGLTA.org under the Board Documents section. Since there is no Q&A, please direct any specific questions to the Board at OurMVGLTA@gmail.com.

Regarding the Board of Director election, the election will “officially” take place on 4/18/2020. We are asking for a few volunteers to count the ballots later that day. If you can help, please email the Board and we will organize a safe way to tally the votes. Please get your ballot in ASAP!

AGENDA

- Welcome & Introductions
- State of the Association
- 2019 Financial Review
- 2020 Financial Plan
- Challenges/Concerns
- Project List
- Board Vote
- Open Forum

2019 Board

President: Byron Ayle
Vice President: Blake Isakson
Secretary: Grant Isakson
Treasurer: Norm Saville
Members-at-Large: Tom Smith & Amy Butler

Committees

Architectural: Tom Smith & Dan Smith
Compliance: Byron Ayle
Grounds: Norm Saville, Byron Ayle & Blake Isakson
Beautification: Judy & Frank Tometich
Pool: Grant Isakson & Tom Smith
Sports Courts: Tom Smith
Luminary: Ann Slice

State of the Association

MVGLTA is financially sound. As of 2/29/20 the Association has assets of approximately \$78k in working cash and interest earning CD's. While that seems like a lot of money to be sitting there, it is our safety net for future downturns or unexpected expenses. Similar to your personal savings, it is recommended to have six months of operating expenses saved for the preverbal rainy day.

There are currently 21 rentals (or 23% of the Association), this is down 1 from this time last year. There were 7 home transfers in 2019, with one lot changing hands twice (lot 40). Transfers include lots 40,47,49,79,30,78,40. Currently there are no outstanding liens, and a minimal number of outstanding/late payments.

Note that our service providers are increasing costs, but so far, we have absorbed the increases through reduction/elimination of other planned expenses.

Concerns going forward continue to be the deteriorating asphalt on the private streets, age of existing pine trees, areas with standing water and overall water usage.



2019 Financials

The Board overspent the income that the Association took in in 2019 by \$16k. The overspend was funded with cash in our checking account accumulated in previous years and cashing in a small CD. The Board was comfortable tackling additional projects knowing we could dip into the small CD if needed. The Board also modified the checking account for more liquidity by lowering the required minimum balance. Here is where the Association landed 2019 in comparison to 2018:

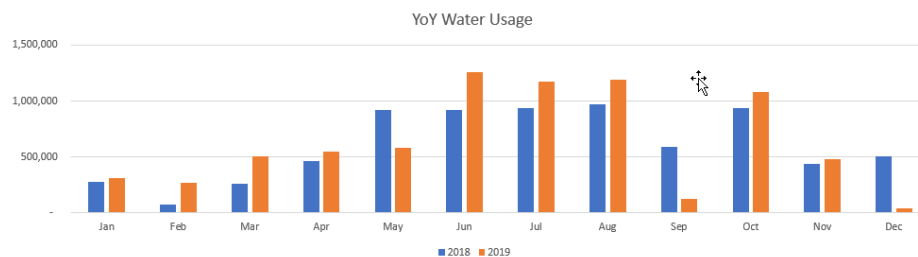
	<u>2018</u>	<u>2019</u>	<u>F(U)</u>
Income	129,490	124,612	(4,878)
Grounds	(82,153)	(91,453)	(9,300)
Pool	(16,486)	(19,119)	(2,633)
Admin	(9,610)	(10,008)	(397)
Lights	(7,250)	(7,251)	(1)
Repairs	(1,712)	(1,228)	484
Projects	(6,766)	(11,613)	(4,848)
Inc(Loss)	5,514	(16,059)	(21,573)

Unfavorability in 2019 was seen in the Grounds, Pool and Projects areas. *Note that 2019 Income is down when compared to 2018; this was due to a lien settlement in 2018 that will not reoccur.*

Grounds	2018	2019	F(U)
Weekly Landscaping	26,100	26,050	50
Winter Grass	4,250	4,375	(125)
Sprinkler Repairs	773	150	623
Annual Tree Maintenance	9,829	11,980	(2,151)
Tree Removal/Extras	7,447	9,467	(2,020)
Water	33,754	39,430	(5,676)
Total	82,153	91,453	(9,300)

The Board overspent on Grounds due to a very dry start to the summer, plus we lost some older trees. Tree maintenance was also up due to some vendor cost increases. In addition to heavier weekly watering, the dry early summer required us to do an unplanned deep root fertilization on the pine trees.

Overall water usage is up compared to last year. In 2019 we used 7.6M gallons, or 20k gallons per day. As a comparative, 2018 was lower (7.3M), 2017 higher (9.3M), 2016 lower (7.0M). Water usage seems to swing back and forth each year.



Besides water usage, the tree maintenance is the most variable expense. We lost 5 trees this year and replaced them with 4 new trees. Tree removal costs range from \$1,500-2,300 per tree, dependent on



size. As mentioned earlier, a concern of the Board is the age of the tree and the costs to remove them if they die or damaged by a storm.

Pool	2018	2019	F(U)
Weekly Service	2,700	2,703	(3)
Repairs & Chemicals	1,147	2,498	(1,350)
Permit	270	270	-
Water	8,439	9,858	(1,419)
Electricity	3,930	3,790	140
Total	16,486	19,119	(2,633)

On the pool, the Board overspent due to equipment replacements (pump, chlorinator and filter sand) and heavier than expected water usage (dry summer).

Project	Cost
Pool re-tile	2,886
Court Electrical	4,713
Signage Refresh	2,081
Pool House	734
Drainage	1,200
Total	11,613

The Board completed five major projects this year. The much-needed pool water-line re-tile, common area signage refresh/reduction, replacement of the pool house garage door, made the court electrical systems safe and added dirt in the park area to help with water drainage. We spent more in 2019 on projects, but the overspend can be attributed to the replacement of the court electrical system. This was becoming an electrocution safety issue.

2019 Violations

Violation notices were down from 2018 due to fewer overnight parking issues than experienced in 2018. Landscaping remains the top issue, i.e. overgrown palm trees, weeds, lack of landscaping or deterioration of existing landscaping. Overall, most home landscaping is in a good state.

Violation Type:			Violation Subject:		
	2018	2019		2018	2019
First	25	14	Parking	9	2
Second	4	5	Trash Cans	2	-
Third	3	-	Landscaping	21	18
Fourth	1	1	Other	2	-
Final	1	-	Total	34	20
Total	34	20			
Fines	\$ 1,100	\$175			



2020 Financials

	<u>2019</u>	<u>2020</u>	<u>F(U)</u>
Income	124,612	126,350	1,738
Grounds	(91,453)	(85,895)	5,558
Pool	(19,119)	(17,494)	1,625
Admin	(10,008)	(7,900)	2,108
Lights	(7,251)	(7,268)	(17)
Repairs	(1,228)	(2,148)	(920)
<u>Projects</u>	<u>(11,613)</u>	<u>(5,645)</u>	<u>5,968</u>
Inc(Loss)	(16,059)	0	16,059

The financial plan for 2020 assumes flat income to 2019, 5 home transfers, similar late fees and violation fees. Based on 2019, the tree removal budget was doubled in anticipation of continued tree loss. If annual back & forth trend holds, water usage should be down in 2020. Pool equipment replaced in 2019, so pool repairs should be down. The Board eliminated a Director insurance policy to save some Administration spend and increased Repairs by adding back in quarterly street sweep. All leftover money is put into the Projects bucket; the projects for 2020 will be selected by the Board. If we continue to see more tree loss, the Project budget will be moved over to Grounds.

Challenges/Concerns

As mentioned earlier, going concerns are the deteriorating asphalt on the private streets, age of existing pine trees, areas with standing water and overall water usage. As you know the Association must approve an assessment to pay for the re-paving of the private streets. While the votes have been close, the Owners do not have an appetite yet to assess and repave. A focus for 2020 will be to evaluate any common areas of standing water. Several areas were touched in 2019 and the Board is continuing to monitor the area below the bridge for proper drainage/evaporation. No plan to increase monthly dues. The Board will continue to manage operating expenses within the current budget (based on \$115/mo.)

Thanks & final thoughts

Thank you for taking the time to read through this recap. We wish we could be together for an in-person meeting. A few notes of gratitude: A special thank you to Frank & Judy for maintaining and decorating the entry sign, plus Frank's free labor patching potholes and killing weeds. Also, a BIG thanks the departing Board members that have served for the past 4-5 years.

We would ask that you all support the new 2020 Board, volunteer for a committee or plan to run for a Board seat in 2021. Please use OurMGLTA@gmail.com to report issues; check the website at www.MVGLTAorg for documents and information on the Association. Annual mailers will be going out after the new Board organizes itself.