

Tahoe Swiss Village Homeowners Association

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April 2010 Newsletter

Summer will be here in just a few months. The Board has been working on readying the Common Areas (Beach, Piers, and Buoy Field). Below are some of the highlights of the Board's actions. At the end of 2 pages of narrative report there are 5 financial reports--3 for the current fiscal year and budgets for the Operating Fund and the Buoy Fund for fiscal 2010-2011.

1. Annual Homeowners Meeting for Tahoe Swiss Village

The Homeowner's Meeting will be held at 10:00 AM at the North end of the beach on Saturday July 3, 2010. We will have the picnic tables set up but plan to bring a chair, a hat, and your comments.

2. Annual Assessment for 2010 – 2011

The Board has been closely monitoring the budget this year and again, has voted **not** to raise the Annual Assessment for 2010 – 2011. The assessment will remain at \$450.00 for the next fiscal year.

3. Buoy Field

The required application, the scenic assessment, and all of the required documents have been submitted to TRPA in compliance with the new Shorezone Regulations that were implemented last year. TRPA has a backlog of buoy field applications to review and is taking longer to issue permits than they expected. We hope to have our final permits for our seventy (70) buoys before the summer season begins. We submitted our application for the permits on time last October and submitted the additional requirements earlier this year. One major requirement was a scenic assessment of our buoy field and beach area. The scenic assessment was a major project that resulted in an 86 page document that was submitted to TRPA on March 9, 2010. The document required a lot of professional and technical help to produce the large technical photos, 2 dimensional blueprints of the area that were cross referenced to the large photos, and pages of technical calculations and scores. In addition to the substantial documents and application fees there are a number of new requirements for every buoy on Lake Tahoe such as annual inspections and certification to TRPA, yearly registration fees, insurance requirements, etc. We had already started a process for annual inspections, buoy reservations, and buoy field management when we negotiated our State Lands Lease about 4 years ago so we were in much better shape than most buoy fields when we began the Shorezone application process with TRPA. A notice will be sent out to homeowner's and posted on the Website as soon as the final permits are received. The process has been time consuming and costly. However, no further assessments are anticipated for the buoy field.

4- Buoy Reservation Process

BJ's Barge Service does a dive inspection of every buoy each spring. The inspection was delayed this year due to the weather but is now complete. Members can reserve a buoy for the season for \$1,250 and their guests and/or their renters may use the buoy they reserve. If a

member has not reserved a buoy for the season, their guests and/or renters may reserve a buoy for \$350 a week provided buoys are available.

A member or the member's guests and/or renters must complete and submit the necessary forms along with evidence of insurance on their boat and the payment of the buoy fee at least 2 weeks in advance. The instructions, the 2 required forms, a map of the buoy field, and the rules for the beach, buoy field, and piers are all available on the Tahoe Swiss Village web site [www.tahoeswissvillage.com]. The forms, buoy fee, and evidence of insurance are required, in advance, regardless of who is the owner of the boat on a members buoy. The address for where to send the forms and buoy fee is in the instructions on the web site.

Based on the report received from BJ the depth of the water along the first row of buoys [closest to the beach] is not adequate for mooring. Therefore, we do not plan to assign buoys on this first row. With the slack in the mooring chain plus the 15 to 18 feet of mooring line, plus the length of the boat any boats on the first row would be dangerously close to the shore, and to the lake bottom with wave action.

To the extent possible we will try to keep members on the same buoy they reserved in the past. Even though the buoy field map is posted on the web site and on the bulletin board at the beach, this helps people locate their buoy. Obviously those on the first row will have to be moved. We will probably remove the buoy floats on this row as soon as possible.

5. Bears have finished their sleep

As the bears emerge from their sleep, they are hungry. Last spring we had a few break ins but the remainder of the season was relatively quiet. Please remember to not to store food in your home, latch the garbage cans, and pull your blinds so the bears can't see a refrigerator.

6. TSVU suite against the Association

The Board and our Attorney have been working with a Mediator. We have met a number of times over the fall, winter, and early spring in an effort to resolve the issues. We hope to put this issue behind us as soon as possible and have offered constructive alternatives that should satisfy all parties.

7. Beach and Buoy procedures for 2010

Last summer's experiment with the TSVHA buoy boats for homeowner's placed on the beach will be continued. Also, the kayak racks will continue to be available by reservation. All other personal boats and inflatables must be removed from the beach each day. A set of guidelines will be distributed later this spring.

8. Financial Reports as of April 30, 2010 and Proposed Budgets for fiscal year July 1, 2010 through June 30, 2011 are shown on the following pages.

There are 5 pages with a separate report on each page. The 5 reports are:
Operating Account as of April 30, 2010.
Buoy Fund Account as of April 30, 2010.
Special Assessment Account as of April 30, 2010
Proposed Operating Budget for fiscal year 2010-2011
Proposed Buoy Fund Budget for fiscal year 2010-2011

Financial Reports as Of April 30, 2010

Operating Account

	Actual 7/1/09-4/30/10	Budget 2009-2010	Actual 7/1/08-6/30/09
Annual assessment & other income	\$ 36,600	\$ 36,000	\$42,369
Expenses:			
Legal & Professional	\$ 13,101	\$ 12,000	\$12,989
Accounting, Mailing , Admin	\$ 6,245	\$ 3,500	\$ 5,176
Insurance	\$ 8,392	\$ 8,256	\$ 8,261
Property expenses	\$ 5,989	\$ 9,800	\$15,934
Total expenses	\$ 33,727	\$ 33,556	\$42,360
Operating Fund Balance	\$ 2,873	\$ 2,444	\$ 9

1-The cost of legal and professional fees through April 30, 2010 are almost entirely related to the Water Company issue [TSVU]. The \$13,101 shown in the Operating Account is in addition to the Legal and Professional fees that were charged to the Special Assessment Funds. TSVU's suit against our property owners association has been tabled in favor of mediation. However, the mediation process has still required legal and engineering support that are being paid from the special assessment funds. The special assessment financial report is below.

2-Accounting, administration, and mailing fees are over budget as a result of work that was necessary in connection with the TSVU suit and the processing of special assessments.

3-We may find it necessary to draw a little money from our Reserve Account to cover additional bookkeeping and property maintenance expenses between now and the beginning of the next fiscal year on July 1, 2010.

4-The Special Reserve Fund balance is \$22,174 as of 4/30/10.

Buoy Fund Account

	Actual 7/1/09-4/30/10	Budget 2009-2010	Actual 7/1/08-6/30/09
Opening balance	\$ 22,990	\$ 22,990	\$ 33,854
Buoy reservations	\$ 900	\$ 11,700	\$ 8,600
Total funds available	\$ 23,890	\$ 34,690	\$ 42,454
Expenses:			
Admin, mailing, etc	\$ 738	\$ 1,100	\$ 794
Legal/Professional	\$	\$ 500	
Buoy Service--BJ	\$	\$ 8,640	\$ 3,600
State Lands Fees	\$ 534	\$ 534	\$ 534
Marina Opr. Ins.	\$ 6,522	\$ 6,522	\$ 6,522
Beach/Buoy Equip.	\$	\$	\$ 5,186
Pier Mtce.	\$	\$ 2,000	\$
Beach Attendant	\$	\$	\$ 2,828
Credit payments	\$ 6,250	\$ 6,250	
Total expenses	\$ 14,044	\$ 25,546	\$ 19,464
Buoy Fund Balance	\$ 9,846	\$ 9,144	\$ 22,990

1-The cost of the buoy inspections and replacement of buoy equipment where needed were incurred in May. We expect the cost to be at least \$3,500 but less than the budgeted amount of \$8,640.

2- Maintenance of the main pier is underway and we expect this cost to be approximately \$2,000.

3-We are not expecting any legal expense between now and July 1, 2010 for the Buoy Account.

4-The buoy reservation revenue of \$900 already reported in the current fiscal year was a reservation that occurred last summer after July 1, 2009.

5- The 3 year reservations that were booked in 2007 expired at the close of the 2009 boating season. All buoy reservations for this summer will be either by the week or for one season [May 15, 2010 to September 15, 2010]. We expect to receive the majority of the reservations, which require the buoy fee payment with the application, before July 1, 2010.

6-The buoy reservation income likely will be in the range of \$45,000 to \$55,000 instead of the \$11,700 that shows in the budget column above for 2009-2010. This revenue relates to the buoy account expenses that will be incurred from July 1, 2010 through June 30, 2011. One of the major expenses will be the TRPA annual registration fees for 2011 that will be due at the end of 2010. The buoy fund budget, shown below, gives the complete picture of what we expect in terms of buoy fee income and buoy fee expenses for fiscal year 2010-2011.

Special Assessment Account

	Actual thru 4/30/2010	Budgeted
Special assessments funds received	\$84,297	\$88,000
Expenses paid for Water Co. issue:		\$40,000
Legal, engineer, & mediator	\$25,131	
Expenses paid for TRPA Shorezone buoy permits:		\$48,000
Buoy registration fees for 2009 & 2010	\$24,500	
TRPA application fees	\$10,988	
Scenic assessment professional & technical fees	\$10,610	
Remaining Special Assessment funds available	\$13,068	

- 1-As of 4/30/2010 there are 6 members who have not paid either one or both segments of the special assessment [\$600 last September and \$500 in February 2010]. The total unpaid amount is \$5,400. There were three members who overpaid the special assessment.
- 2-TRPA Buoy registration fees are \$175 per buoy and we paid for 2009 and 2010 as required.
- 3-The application fees are for the 39 buoys that never received a permit from TRPA. We did have TRPA permits for 31 of the buoys dating back to 1980.
- 4-We are not expecting additional expenses, beyond those shown in the above exhibit, related to the TRPA buoy permits. TRPA has accepted our application, our scenic assessment documents, and the payment of all of our fees. We are told they are overloaded with buoy field applications and documents and it is taking 2 to 4 months to get the permits.
- 5-We are in the mediation process with the Water Company. It is unclear at this point what additional expense we may incur with this issue. There is obviously some ongoing expense but we are working to keep these expenses under control.

**TSVHA PROPOSED OPERATING FUND BUDGET
FISCAL YEAR 7/1/2010 –6/30/2011**

Annual Assessment Funds	\$ 36,000
Other Income	
Total Income	\$ 36,000
Administrative Expenses:	
Legal/Professional/Technical	\$ 10,000
Bookkeeping & Processing	\$ 4,000
Postage & Office Supplies	\$ 1,200
Accounting/Taxes/Fees	\$ 500
Total Administration Expense	\$ 15,700
Operating Expenses:	
Officers/Directors/Beach P & L Ins	\$ 5,300
Marina Ins-Piers & Buoy Field 1/3 of cost	\$ 3,300
Landscaping	\$ 1,000
Beach Clean Up & Repair	\$ 1,000
Main Pier Mtce—1/3 of cost	\$ 500
TSVU Water	\$ 1,000
Chemical Toilet--Beach	\$ 600
Beach Equipment	\$ 1,000
General Mtce & Supplies	\$ 500
Reserve Study	\$ 2,500
Total Operating Expense	\$ 16,700
Total Expenses	\$ 32,400
Operating Income less Expenses	\$ 3,600
Transfer to Reserve Account 6/30/2011	\$ 3,600
Operating Fund Balance As of 6/30/2011	0000000

Notes and Assumptions:

1-Annual assessment at \$450 X 80 Properties = \$36,000

2-We hope to hold legal and professional to \$10,000 or less.

3-We are not planning for special assessments in 2010/2011 or further discovery work by legal that will require time and effort by our bookkeeper. So we expect bookkeeping, processing, and mailing cost to be about \$4,000 for fiscal 2010-2011.

4-Insurance cost in 2011 for general property and liability, including officers and directors liability and umbrella liability, and the marina coverage for the piers and the buoy field are expected to be about the same as 2010.

- 5- The Operating fund pays 1/3 of marina insurance because the sundeck is used only by beach users and the main pier is used by beach users and boat users.
 6-All property maintenance and landscaping costs will be held to amounts shown.
 7-We will start rebuilding the Reserve Account this fiscal year.

**TSVHA PROPOSED BUOY FUND BUDGET
 FISCAL YEAR 7/1/2010 – 6/30/2011**

Opening Fund Balance	\$ 6,000
Buoy Reservations Members	\$ 50,000
Buoy Reservations Renters	\$ 1,400
Other Income	
Total Buoy Funds Available	\$ 57,400
Administrative Expenses:	
Bookkeeping, Processing, Mailings, Fees	\$ 2,500
Legal & Professional Fees	\$ 500
Total Administration Expense	\$ 3,000
Buoy Field Operating Expenses:	
BJ Barge Buoy Services	\$ 11,685
Marina Operators Ins—2/3 of cost	\$ 6,600
Main Pier Mtce 2/3 of cost	\$ 1,000
Beach & Boating Equipment	\$ 500
State Lands Fees	\$ 534
Coast Guard Buoy Mtce	
TRPA Registration Fees for 2011	\$ 12,250
Total Buoy Field Operating Expenses	\$ 32,569
Credit Payments	
Total Buoy Fund Expenses	\$ 51,819
Buoy Fund Balance 6/30/2011	\$ 5,581

Notes and Assumptions:

- 1-Assumes only 40 buoy member reservations at \$1,250 for the season. Hopefully we will have at least 58 buoy reservations for the season.
- 2-Assumes only 4 renter weeks at \$350 a week.
- 3-The BJ Barge Service cost assumes BJ's cost for inspecting all 70 buoys in the spring of 2011 -- plus 4 new blocks, 1000 ft of new chain, 4 new floats, 20 new mooring rings, 20 new shackles, and the labor cost to install this replacement equipment.
- 4-Assumes we can hold the maintenance cost for the pier repair to \$1,500 with 2/3 being charged to the buoy fund.
- 5-TRPA has advised that associations will be allowed to pay annual buoy registration fees[\$175 per buoy per year] one year at a time beginning with the payment at the end of 2010 for 2011.
- 6-Projects buoy purchase payments to 65 members at \$250 each in summer of 2010 for year of 2010. This is the fourth year of these payments and they will end in 2015.

7-If less than 40 members reserve a buoy for the season the buoy fees may have to be increased.