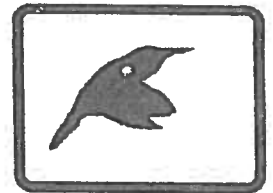


THE HUMMER



Volume # 46

FEBRUARY 1995

PRESIDENTS MESSAGE

by John Paches

1995 is going to be a year of Replacement.

As most of you know, Vern and Jean Overholt our Campground Managers, have decided to retire this spring.

The Board of Directors is faced with the difficult job of finding new people to keep our Campground in good repair and functioning properly while enforcing our Rules and Regulations and maintaining a harmonious atmosphere where we can all enjoy ourselves. Fortunately Vern and Jean will remain with us as members of the Association and Vern will be available, part-time for several months, to assist our new Managers in learning the job.

Four Board members terms expire in September this year and some or all may have to be replaced. CORA members are responsible for doing these jobs. I know there are many of you that have the knowledge and experience, so Please !! give it your consideration. We still need a Long Range Planning Committee.

The clubhouse roof, washers and dryers & kitchen sinks are to be replaced. The managers house carpeting is to be replaced.

We have finally been able to get a firm bid to complete the new Entrance project. Bud Farnum, our Facilities Chairman, has spent much time in getting the information for these projects.

Gary Krous has provided us with the information for the installation of two new Pay Telephones that will be installed in booths at the Clubhouse.

Paul Pierce and the Real Estate Team provided us an Outstanding year in 1994 and all indications are that it will continue in 1995.

We are looking forward to a GREAT year at CORA !!!

REAL ESTATE REPORT

by Paul Pierce

I simply can't believe we are looking at yet another year of fun at C.O.R.A. and the fun is just about ready to begin.

A Recap of Lots Sold in 1994.

Silverton Northern 10 lots sold.
Denver South Park 5 lots sold
Colorado Southern 1 lot sold.

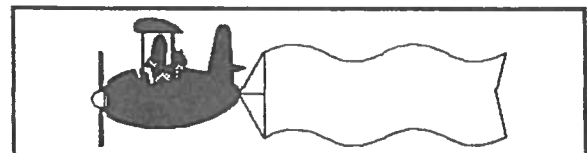
16 Total lots sold

In addition approximately 20 Private lots were sold giving us about 36 new families at C.O.R.A.

Your Real Estate Team will be on hand to assist any interest with the showing of lots and of course helping those with questions pertaining to the Campground.

Once again, if you have someone in mind who might like information on sales, please let us know if we can help.

We will have a Booth for Burro Days July 29th & 30th. If you are interested in helping, keep this in mind. Planning will be mid June at the clubhouse. Exact date & Time not set yet.



VOLUNTEERS NEEDED

A member to sell T-Shirts, Sweatshirts, Jackets, and Hats with CORA Logo. Volunteer will be required to maintain accountability, control inventory and report status to the Board.

Contact Ann Farnum at..... 303-337-3495

REVISED FISCAL POLICY

Our Association has grown to 400 members, OWNING 450 LOTS, and has matured since it's creation in 1986.

The management of our Funds has become more complex.

To cope with more complex Budgeting / Financing problems the Board of Directors has adopted a revised Format for the management of Association Funds.

Starting with the 1995 fiscal year we are operating with three primary Accounts / Funds;

1. **Operations & Maintenance. (O&M)**
2. **Real Estate. (RE)**
3. **Replacement Reserves.(RR)**

These accounts will be **FUNDED** as follows:

1. **O&M** will operate with the money coming in from;
 - a. Annual Dues Assessments.
 - b. Profits from our Propane Sales, Laundry and Vending Machines.
2. **RE** will operate with money coming in from;
 - a. Real Estate Sales Profits.
 - b. Principle & Interest income from Loans.
3. **RR** will operate with money coming from;
 - a. The \$210,000 provided by Bylaw Thirteen.
 - b. \$10,000 annual transfer from the O&M account.
 - c. An annual deposit of \$15,500 which will consist of, Profits from Real Estate activities and interest earned on investment of the fund.

These accounts will be used to **PAY** the cost of activities as follows:

1. **O&M** account will pay all costs associated with the Operation and Maintenance of the Campground and the Association and will pay \$10,000 annually to the RR account.
2. **RE** account will pay all costs associated with ownership and sale of CORA owned lots and \$ 15,500 (less the interest earned on investment of the RR account) to the RR account annually. This account will also pay the cost of all Additions & Betterment (Capitol Improvements) to the Campground.

3. **RR** account will pay all costs of Replacements made under the Replacement Reserve Study.

To illustrate how these accounts will operate we have planned to do the following at the Campground this year:

1. Install a new steel roof on the clubhouse.
2. Complete construction of the Entrance Structure.
3. Purchase new Washers and Dryers for the Laundry.
4. Purchase two new Pay Phones & install them in booths at the clubhouse.
5. Install new Deep Sinks in the kitchen.
6. Purchase new First Aid equipment for the campground.
7. Install a fresh water line to the Sewage Treatment Plant.
8. Install new carpeting & sheet vinyl in the managers house.

Items # 1 & 3 will be paid for by the **Replacement Reserve** account because they are replacing something we already have at the Campground and are included in the Replacement Reserve Study.

Items # 2,4,5,6, & 7 will be paid for by the **Real Estate** account because they are "new things" / Additions & Betterments to the Campground.

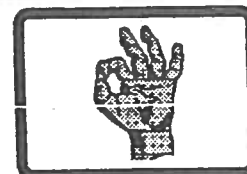
Item # 8 will be paid for by the **O & M** account.

This method of funding has been adopted to help keep our annual dues to a minimum and to keep our Campground operating and properly maintained.

Using the profits from our Real Estate operations for the acquisition of " new things" puts us in a " pay as you go " situation where we will not get "new things" until we can pay for them without increasing our dues.

Last year was a "Banner" year for our Real Estate operations so we can get most of the "new things" that you have asked for.

If Your With
CORA



YOUR OKAY

TREASURER'S REPORT

by John Bendel

Included in this Hummer are the
1994 Year-End Financial statements:

1. A consolidated Balance Sheet for all three (O&M, RE and RR) accounts labeled " Assets & Liabilities".
2. An "Income & Expense" Statement for Real Estate (RE) and Replacement Reserve (RR).
3. The Operating & Maintenance (O & M) Income & Expense Statement.

Because we have a Revised Fiscal Policy this year and these accounts are becoming more active I feel I should explain the activities in these accounts:

1. Regarding the Consolidated Balance Sheet;(combined O&M, RE and RR accounts). It shows that on 12/31/94 CORA was worth \$ 647,152 as compared to \$ 506,515 on 12/31/93.

Our Cash position, including investments, is good.

2. Regarding the RE account;. Lot inventory is down to 62 lots for sale due to extremely high lot sales in 94. The RE activity is also reflected in Notes receivable (Loans we are carrying for our CORA members lot purchases). The 1994 Current year gain was \$ 44,257 as compared to \$ 29,620 in 1993.

3. Regarding the O&M "Operating Income & Expense Statement"; When is a "loss" not a "loss"?? The statement shows two (2) "Net Gain or <loss>" entries. This is intentional !! I need to explain.

The Board of Directors budgets O&M cash flow each year to arrive at annual dues amounts. This budget includes items on the I&E statement above the " Sub-total Expenses" line.. In 1994 the budgeted items result in a net gain of \$ 1712.

A "Well-done" to your Board of Directors in fulfilling their fiscal responsibility.

Each year our Capitol Equipment (Buildings & Equipment) is depreciated. This depreciation is a NON-CASH Expense and is not included in the Annual Budget. Accounting-wise it is an expense. Therefore, the bottom-line, after depreciation expense reflects a net loss.

We provide funds in the RR account to replace buildings, vehicles and equipment as required. The RR account balance was \$ 216,035 as of 12/31/94.

In analyzing the I&E for 94, I prefer to concentrate on the items above the " Sub-Total Expenses".

Income is \$ 2846 under Budget.

Expense is \$ 4558 under Budget.

Net Gain is \$ 1712.

Income items other than assessments exceed Budget.

The assessment shortfall appears on the Balance Sheet as part of Accounts Receivable entry. The delinquencies are being actively pursued (quite successfully).

Several individual line items exceed the budgeted amount, however, a number of line items were sufficiently under budget to provide a net gain, before depreciation . Key line items under budget were " Contingency" & "Special Projects.

As reported thruout 94 our Legal expenses exceeded budget as did Utilities.

The Special Project " Front Entrance" is to be funded in 95 from RE account.

Which leads me to discuss the New Income & Expense Statements in this report:

(A) Replacement Reserve and (B) Real Estate.

(A) RR funds were expended to replace a Water Heater. Income to the fund of \$ 15,627 was from a \$ 10,000 transfer from O&M plus \$ 5,627 from interest earned by investment of the fund. The account balance is \$ 216,035. In 1995 we will use this fund to pay for replacement of the Clubhouse Roof and Washers and Dryers. These items are part of the RR Plan.

(B) RE fund had a Banner Year with a 1994 Profit of \$ 34,455 compared to 1993 profit of \$ 18,879. Lot Sales income was \$ 37,830. Principal & Interest income on contracts we are carrying added \$ 29, 079. interest on RE funds invested added another \$ 1, 006. Increased sales do result in increased expenses: cost of sales was \$ 6, 501; income tax was \$ 10, 912 (it was \$ 5,694 in 93); property tax (CORA owned lots) was \$ 11, 177 (it was \$ 9,128 in 93) and Administrative charges were \$ 3, 087.

Profits from RE account were used to build a Half-Court Basketball Court.

Before concluding, there is one more item to be mentioned.... Due to our error in the fall of '92 Social Committee monies were deposited to the wrong account on the CORA books. This error was corrected in '94.

A special Thank You to Ann Farnum for her diligent efforts in this matter. I am aware that people were upset with the error. It Is Corrected !!!

If you are still with me; I realize that this is a long and detailed report but there was much to be covered. As always, if you have questions please contact me directly or via ACT.

***** FOR YOUR INFORMATION *****

1. These folks bought CORA lots in 1994

- DSP # 3 - Nolan & Bobbi Biesanz
- DSP # 6 - Raymond & Pauline Matheson
- DSP # 32 - Wayne & Annette Lotman
- DSP # 41 - Robert & Helen Berger
- DSP # 101 - Lloyd & Ruth Davis
- C&S # 22 - David & Darlene Foy

- SN # 6 - Thomas & Christie Holcomb
- SN # 143 & 144 - Robert & Triva Rice
- SN # 145 - Paul & Patricia Meze
- SN # 170 - Julio Angulo
- SN # 179 - Earle & Marjorie White
- SN # 185 - William & Corine Krysiak
- SN # 279 - Lansing Rosekrans

2. There is a Pancake Breakfast scheduled in the Clubhouse on Sunday morning May 28, 1995. Be sure to check the Bulletin Boards for details.

BOARD MEETINGS

All members are encouraged to attend Management/Planning Meetings on the first Wednesday of every other month starting January and Regular Board Meetings every third Wednesday of every month except December. Meetings are at 7:00 PM in Suite #120 7400 E. Arapahoe Road Englewood CO. Call 303-779-5151

BOARD OF DIRECTORS

Campground of the Rockies Association

- President John Pachos
- Vice President Ralph Houck
- Treasurer John Bendel
- Secretary Nancy Sokolowski
- Chairman - Facilities Bud Famum
- Chairman - Realstate Paul Pierce
- Member-at-Large Ric Jefferies

Campground of The Rockies Association
 P. O. Box 4318
 Englewood, CO 80155-4318

