

A MESSAGE FROM YOUR RANCHO NIGUEL RECREATION CLUB

BOARD OF DIRECTORS

NOVEMBER 17, 2025

Dear Members,

Your Board of Directors is pleased to share encouraging news about the Club's financial progress and upcoming improvements. Thanks to strong fiscal management and thoughtful member input, we've strengthened the Club's future while reducing monthly dues.

We are proud to announce that monthly dues will decrease by \$9.00—from \$94.00 to \$85.00 per month. This represents a 10% reduction and an annual savings of \$108.00 per household. This change reflects prudent management of Club resources and a strong financial position.

Fiscal Management — How We Achieved the Dues Reduction

- Negotiated with key vendors to secure lower pricing and locked in no price increases for the coming year.
- Implemented a competitive bid process, comparing current and outside vendors to ensure ongoing cost competitiveness.
- Restructured our Certificates of Deposit (CDs) into a disciplined ladder strategy, maximizing interest yield on our \$1.3 million reserve fund while maintaining full FDIC guarantees and incorporating U.S. Treasury-backed instruments.
- Aligned reserve components with actual replacement costs and worked closely with our Reserve Analyst to reassess the remaining useful lives of assets—achieving a Reserve Fund Strength of 105.3%.
- Applied these practices in the full gym renovation—the first since 1986—featuring new modern equipment, treadmills, stationary bicycles, and flooring. Through competitive bidding and negotiation, the project came in \$11,000 under budget.
- Negotiated multi-year cost stability agreements, including a three-year tree-trimming program that ensures healthy, attractive grounds.

Governance — Improvements and Member Engagement

- Converted one unused racquetball court into a multi-function Game Room with ping pong, pool, and foosball tables—perfect for cold or rainy days.
- Listened to member feedback on proposed Party Rules and Guest Policy at the September Homeowner's Forum, resulting in revisions driven by your input.
- Scheduled major sport-court maintenance for the spring: resurfacing of all tennis courts, three pickleball courts, and the basketball court; sanding and painting net posts; and installing new backboards and nets.

We encourage all members to attend Board Meetings and share suggestions on how we can continue to serve you better. Meeting dates and times are available from Karen and are posted on our website.

Respectfully,

Your Board of Directors

President: Paul Nadel

Vice President: Tom Amberger

Treasurer: Mark Deric

Secretary: Mike Tatu

Member-at-Large: Mark Vawter