

WINTER HOLIDAY HOMEOWNER NEWSLETTER

In a continuing effort to keep you informed regarding upcoming events, projects, news and issues which impact our quality of life, property values, and the daily operation of our neighborhood association, we have prepared this newsletter. We hope it is helpful information as we move into the Winter months.



SNOW REMOVAL GUIDELINES

It is the individual homeowner's responsibility to remove snow from their sidewalks and driveways. Homeowners are also asked to not push snow into the street after the plows have come through the neighborhood since this creates a safety hazard for all who use our streets.

The snow removal contractor is responsible for de-icing and removing snow from the streets and the common area sidewalks including the sidewalk along Mission. We are using the same contractor we had last year and they typically have been doing their plowing early in the morning. Therefore, it is important to not park any vehicles on the street overnight when snow is imminent. Thank you for your cooperation.

2013 ANNUAL HOA MEETING

The 2013 Annual HOA meeting was held on October 22, 2013 at the Liberty Lake City Hall. A total of 27 out of 76 properties were represented either by attendance at the meeting or by proxy. Lacking a quorum (38), the Board conducted the meeting as an informational meeting and was unable to have a vote for the vacant director position. Of significance, information was provided regarding the HOA financial position, the Reserve Study, and the access easement located along N. Dunbarton Oaks. Some discussion followed each of these agenda items. The minutes of the meeting are available for viewing on the website: www.estatesatmeadowwoodiii.com.

Lacking a quorum at the meeting to hold an election, the Board decided to hold the election via mail ballot as provided for in the CC&R's and Bylaws. At this time, enough ballots have been returned to elect Remy Newcombe to the vacant, three year Board position. In separate action, the Board appointed Teri Schmarr to the ex-officio position of Secretary/Treasurer. We should all thank them for their willingness to serve.

HOLIDAY OPEN HOUSE

The Community Outreach Committee is organizing a casual, family Holiday Open House for Saturday, December 7, from 6:00-8:00 p.m. at the Doepke's, 1109 N. Dunbarton Oaks Lane.

Please mark your calendars and plan to join us for some great conversation, refreshments, and an opportunity to win a prize for guessing the correct number of ornaments on the tree. We hope you will take advantage of this chance to meet neighbors you do not know and enjoy the view of the Christmas lights of the city below.

YTD FINANCIAL REPORT

As of the end of October, our expenses for the year are \$6,602.83 below budget estimates of \$33,673.00. We have collected income of \$45,050 which is \$172.50 below the budget estimate primarily due to two foreclosed homes which were not resold until April.

At the end of October, we had \$18,746.49 in the Operating Account and \$19,120.23 in the Savings Account. Unless we have some unexpected expenses between now and the end of December, we hope to add a significant amount to the Savings Account. From this account we will create two accounts, a Savings and a Reserve, next year.

RESERVE STUDY FINDINGS

The Board contracted with Criterium-Pfaff Engineers to conduct the State mandated reserve study regarding our commonly owned property and infrastructure. That study was completed in April 2013. A summary of that study can be found on the website: www.estatesatmeadowwoodiii.com.

The projected capital expenditures identified in the study over the next 30 years are:

| | |
|-----------------------------------|--------------------------|
| Crack Seal Streets | Every year |
| Repair sidewalks/curbs | 2014,2029 |
| Install curbs around swale grates | 2014 |
| Clean catch basins | 2015,2025,2035 |
| Slurry seal streets | 2017,2022,2032,2037,2042 |
| Paint iron fence/gates | 2019,2026,2033,2040 |
| Replace gate operators/controls | 2024,2039 |
| Replace swale grates | 2028 |
| Grind and overlay streets | 2028 |
| Replace vinyl fence | 2033 |

These expenditures will require an estimated \$642,923 in funding over the next 30 years. In order to avoid future special assessments which require a vote of property owners, it would be necessary to place an average of \$21,500 in the Reserve Account each year. The current budget (2013) calls for a transfer of \$5,300 to the Reserve Account at the end of the current year. Clearly this is inadequate to meet the projected need. Projections suggest that the Reserve Fund would be depleted within nine years at the current dues rate. It is estimated that annual dues would need to be increased to \$800 a year almost immediately to provide the revenue necessary to fund the reserve fund activities as well as provide some additional revenue to cover inflationary increases to general fund budget activities.

The Board is currently having to weigh two complicating factors as it tries to deal with this issue. First, we are hearing that some mortgage companies are currently denying home loans if an association's reserve funds are inadequate. Consequently, maintaining the status quo is not a viable option. Secondly, it has been historically difficult to get enough property owners in this association to participate in elections or meetings in required numbers to pass dues increases, elect officers, sell property, etc

DUES INCREASE

After considering several options for increasing the contributions to the Reserve Fund, the Board has decided to utilize a provision in the CC&R's which allows the Board to increase dues up to 15% annually without a vote of the property owners. This will bring the annual dues for 2014 to \$575. The additional \$75 per property will be placed in the Reserve Fund thereby doubling the current yearly budgeted contribution to approximately \$11,000.00. This action is still well below the projected need of adding \$21,500 annually in order to avoid special assessments down the road. Therefore, the Board will be considering a vote at the next annual meeting which will raise annual dues to \$800. It is currently anticipated that this annual amount would be sufficient to fund the capital costs identified in the Reserve Study for the next 30 years as well as provide some funding to cover inflationary increases to items found in the General Fund.

Beginning this next year, homeowners will be given the option of paying their annual dues in one payment or in two installments. More specific information regarding this option will be forthcoming with the annual dues billing letter at the end of December.

The Board of Directors is comprised of volunteers elected to serve three year, staggered terms of office. The current Board members are: Bill Maier, President; Greg Kautz, Vice-President; and Remy Newcombe, Director. Teri Schmarr serves as Secretary/Treasurer in an ex-officio capacity.

Homeowners wishing to contact the Board with questions, to request consideration, to report non-compliance, to identify neighborhood needs, or to make suggestions should direct their communications to:

MEHOAIII, c/o WEB Properties
P.O. Box 21469, Spokane, WA 99201
Phone: 509-533-0995
Email: em3hoa@webpropertiesinc.com



**FAMILY HOLIDAY
OPEN HOUSE**

DATE:

SATURDAY, DECEMBER 7

TIME:

6:00 - 8:00 P.M.

LOCATION:

1109 N. DUNBARTON OAKS LANE

**DRESS CAUSAL, ENJOY FRIENDSHIP ALONG
WITH LIGHT REFRESHMENTS**

SPONSORED BY:

COMMUNITY OUTREACH COMMITTEE