

News Letter  
Lakeview Park Villas Home Owner's Association  
February 5, 2017

Dear Members:

I hope that everyone had a great Holiday season! 2016 wound up being a good year for the HOA, and I am pleased to attach the year end financials for your review. Please take the appropriate time to review all of the financial information, and if you have any questions and/or comments, please bring them to the annual meeting this summer where we will do our best to answer them. This Board now has 2 complete years under our belt. It is fair to say that we have a high degree of confidence that we understand not only our past financial performance, but also where we will be each year in the future, unless we get blindsided by a totally unexpected major expense. We have every reason to think that 2017 will be our best year yet.

Before we go any further, I would like to give you the best news that we have had in some time. As you are aware, several years ago, it was discovered that there were some inconsistencies in the formation of the various HOAs which led to them being declared invalid. Through the efforts of our predecessors, this was worked through and our present HOA and a new set of CC&Rs were established and legally validated by all of you. The one outstanding issue was the developer's bankruptcy which hovered above the HOAs, and as a result, uncertainty as to what would ultimately happen to all the common areas whose ownership was still held by the bankruptcy court. I am thrilled to be able to tell everyone that through the efforts of our vice president, Brian Antweil, as of late January, 2017, the bankruptcy trustee and judge have signed off and awarded all the common areas to the appropriate HOAs. We have the deeds. This resolves it for all the HOAs. This is a HUGE win for all of us, and removes all uncertainty as to who owns what. Of primary importance is that this insures proper and consistent upkeep of not only our HOA, but all the HOAs. This protects and enhances the long term values of all the homes and neighborhoods in Harbor Village. We all owe Brian a big thank you for his persistence and expertise in making this happen.

On another legal issue, late last summer, it was brought to the Board's attention that the one home in LVPV that decided not to participate in our new HOA was listing her home on AirBNB and was renting it on a short term basis. We contacted the Flathead County Compliance officer who paid her a visit and informed her that she was violating County Zoning laws and must desist immediately. Members, please remember, both our CC&Rs as well as the county zoning regulations prohibit short term (30 days or less) rentals of our homes. Also, if you make a long term lease on your property, you MUST provide a copy of that lease to our property manager.

I spent about a month in Bigfork over the holidays, and the weather was terrific – snowy and cold. This gave me a little time to spend with our property manager, David Roberts. Dave confirmed that we are on track to greet our members who will be returning this summer, with a new level of aesthetics. No later than June 1, all dead and dying plants will have been replaced with new ones. Some will be the same variety that died, and some will be new varieties that should grow, look better, and thrive in their particular locations. Also, as part of our new projects which we discussed in the last news letter, all the homes on the north side of Bay Harbor (the red homes) will have had their flowerbeds re-mulched. It is our goal to enable all members to have their homes looking fantastic when they arrive, and not have to wait for the work to be done while they are in residence. Unfortunately, that doesn't apply to all projects. The long-range plan includes the re-mulching or re-rocking of the flowerbeds for the remainder of the homes as soon as possible.

There are a couple of projects that can only be done while the owners are present for obvious reasons. We have had a few members who have already found it necessary to redo their second floor balconies. The floor covering has rotted out, and the railing is chipping. We plan on redoing all the balconies over the next few years, but we have to determine the scope of the work to be done. Then we will ask Dave to get several bids for the work. Obviously, as we schedule the work, it will be done in a prioritized fashion based primarily on the age of the home. As such, it will begin with the Lake View homes. Additionally it will be dependent on when the owner will be home and available to let the contractors in. We will keep you informed on this. Other items to be done over the summer will be the completion of the front door painting. Gutters and downspouts will be examined and cleaned as necessary. The big pond behind the homes on the south side of Bay Harbor will be treated for weeds and algae as soon as the water is warm enough. Hopefully prior to June 1.

A few more things. We will be meeting with a representative from Certainteed, the manufacturer of the shingles on all our homes. The object is to see if the roofs are standing up to the elements as well as they should. If it is determined that they are not, to then seek an adjustment or some type of compensation for whatever the shortfall might be determined to be. Obviously this would benefit our roofing reserve fund.

The Board has decided that we would like to have a complete financial review of all our financials and planning budgets by a member team. One of our members, Mickey Ransom, is a financial professional and has volunteered to lead the effort, but we need a few more volunteers to work with her. Please let us know at the annual meeting if you will assist on this task.

It has been recommended that we start a website for our HOA that would serve as a depository for all our documents, deeds, rules and regulations etc. We could also use it to post our news letters and financials so they are all readily available. These uses could all be password protected, and perhaps we could have a section which promotes and markets the HOA to prospective homebuyers

Lastly, in our Fall news letter we asked for volunteers to serve on the Board. As hard as it is to believe, there were no volunteers. Ron Ransom has very graciously agreed to stay on another year as our Secretary/Treasurer, but the Board only works if there is member involvement. Please reconsider your decision to not participate and let us know this summer if you will be able to help, even if only in an advisory capacity.

Please review this letter, and the attached exhibits carefully. Pay particular attention to the following, as we will ask for group discussion on them:

- Bankruptcy and Common Area resolution
- Long-Range Strategic Plan
- Balcony Re-do
- Roofing Meeting with Certainteed
- Volunteers for financial review
- Nominations and voting for Officers
- Website

We look forward to seeing everyone at the annual meeting which will be announced in the upcoming months. We hope that all of you are pleased with the condition of the grounds of the HOA when you arrive this summer.

Sincerely and on behalf of the Board of Directors;

Paul Lentz  
President – Lakeview Park Villas HOA

## Attachment #1

### Lakeview Park Villas 2016 Financial Report

January 20, 2017

Dear Members,

Enclosed are our yearend financial Profit & Loss and Balance Sheet results. As with last year, we will provide copies and answer any of your questions at our annual meeting.

As part of your review, it might be helpful to consider a few highlights:

- We ended the year with a net income of \$10,048.91. This is a result of finding a few savings in our special landscaping program. We also deferred spending monies to upgrade our driveway lighting to provide time to better understand our options.
- As you know the Board is obligated by our covenants to develop an operational reserve equal to \$25,000. We have made good progress and have been able to make a second contribution to grow this fund to a total of \$17,311.25.
- Our capital reserve fund has reached a level of \$182,417.56. We will continue to contribute to this fund as in years past. However, for the first time we will also draw from this fund in 2017 to address a few very important projects which were identified by our Long Range Planning Committee. These projects include mulching, finishing resealing our driveways, clearing drainage lines and getting a good start on our upper deck restoration program.
- As with last year our dues collected were as budgeted so as to indicate that our membership is healthy and fully supportive our neighborhood.

We believe these results indicate that our second year was financially solid and went according to plan and expectations. We were able to deliver all of our base services. And we were able to provide for an unbudgeted survey to remove our neighborhood from a newly designated flood plain. We also provided for another unbudgeted project that replaced our water feature mulch with more permanent river rock to save money over the long run. Both projects were completed without the need for an assessment or a dues increase.

Thank you for your support,

Board of Governors

### LVPV 2016 Profit and Loss Statement

Income	Association Dues for Operations	\$ 101,350.00
	Interest Income	\$ 61.38
	Total Income for Operations	\$ 101,411.38
Expense	Property Management	\$ 8,663.90
	Legal	\$ 894.00
	Lawn Maintenance	\$ 40,196.95
	Road Maintenance & Snow Removal	\$ 1,116.57
	Utilities & Irrigations	\$ 3,228.95
	Miscellaneous	\$ 6,542.73
	Pest Control	\$ 3,030.00
	Special Projects	
	Flood Plain Survey	\$ 5,000.00
	Special Landscape Program	\$ 11,791.67
	Driveway Resealing	\$ 2,960.00
	Gutter, Downspout & Drainage Test	\$ 860.00
	Door Painting	\$ 5,750.00
	Miscellaneous (From Contingency)	\$ 975.00
Total Expenses	\$ 91,362.47	
Net Income	Net Income for Next Year & Operational Reserve	\$ 10,048.91
Other Income	Capital Reserve Contribution	\$ 33,000.00
Cash Flow	Net Income & Other Income	\$ 43,048.91

### LVPV 2016 Balance Sheet

Assets	Capital Reserve	\$ 182,417.56
	Operational Reserve	\$ 17,311.25
	Checking	\$ 42,218.12
	Accounts Receivable (Prepaid Dues)	(\$ 24,315.00)
	Un-Deposited Funds	\$ 2,330.00
	Total Assets	\$ 219,961.93
Liabilities & Equity	Retained Earnings	\$ 176,913.02
	Net Income	\$ 43,048.91
	Total Liabilities & Equity	\$ 219,961.93

## Attachment #2

### Lake View Park Villas Long Range Plan Project List

Dear Members,

The purpose of this attachment is to provide a list of projects that have been included in our new Long Range Plan funded by our dues. This plan was developed by a special member committee and approved by the Board last year and was outlined in our last letter. The Board recognizes that any Long Range Plan including ours will require annual adjustments, projection and publication. As a result, a contingency contribution is included equal to 10% of our total capital dues. The team's best forecast has been included in an effort to share when and how fast each project is expected to be executed. The plan is projected over 20 years in an attempt to make sure funding is adequate to cover long range projects such as roofing as well as projects that must be done periodically such as painting and chip sealing.

#### **Projects (Services) Provided by HOA**

- Exterior Painting and Caulking
- Roof Replacement
- Upper Deck Restoration (To be Started 2017)
- Road Chip Sealing
- Driveway Sealing (This Cycle to be Finished 2017)
- Irrigation Systems Repair
- Pond Embankment Restorations
- Outdoor Pole Light Restorations
- Fence Maintenance (Wood Replacements)
- Patio Maintenance
- Drainage Maintenance (2017)
- Exterior Lighting Replacement
- Flower Bed Mulching (2017)

#### **Projects Provided by Members**

- Garage Door Repairs and Replacement
- Window Repairs and Replacement
- Front Door Repairs and Replacement
- Security and Other Alarm System Installations and Repairs

### 2016 Projection

Projects / Year	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	
Painting (#)			5	3	3	3	3		5	3	3	3	3		5	3	3	3	3	
Roofs (#)											3			4	5	5				
Upper Deck (#)		12	5									12	5							
Road Sealing (*)						1								1						
Driveway Sealing (#)	12	5			2			1			1			1				1		
Irrigation Repair (#)					3			4	5	5				3				4	5	5
Pond Banks (#)			1	1	1	1		1	1	1	1									
Pole Lights (#)				17																
Fence (*)			10	25	50	80	50	25	10										10	25
Patios (#)			5	3	3	3	3							5	3	3	3	3		
Drainage Maint. (*)		5					5						5						5	
Exterior Lighting (#)							3			4	5	5								
Mulch (*)		22							16										16	
Contingency (*)		1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	

# = Number of Buildings

\* = Number of Pond Banks Restorations, Chip Seal Events, Fence Pienes, Drains, Mulch Beds