

GREENWAY FARMS HOA

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November 25, 2019

Dear Greenway Farm Member:

During a regularly scheduled Board of Directors meeting on October 16, 2019, the Board of Directors extensively discussed then adopted the 2020 operating budget for the Greenway Farms Homeowners Association. Attached is a copy for your file. A summary of key points regarding the dues increase is included below.

As your elected directors, we know that dues increases are never desired, and for many years the elected HOA directors have worked to minimize dues increases for our residents. No board member takes a dues increase lightly. However, at this time, dues must be increased to meet our increasing community operating expenses and to mitigate our large unanticipated expenses. Our regular dues have been increased by 3% for 2020, to cover the increased costs of our regular operations. In addition, after much careful thought, consideration, and deliberation, we will have a Special Assessment for 2020, to recover some of the costs paid for the Emerald Ash Borer infestation which impacted many trees throughout our community's common areas. This Special Assessment is the first ever in our community's history. Funds from the 2020 Special Assessment will be utilized exclusively to replenish the Reserve Fund.

Just like private homeowners and HOAs all over the nation, Greenway Farms has had to deal with the Emerald Ash Borer infestation. This was a large unanticipated expense, which to date has cost Greenway Farms approximately \$60,443 from our Reserve Fund. The ash trees continue to be an expense that we are monitoring. **Our current Reserve Fund balance is approximately 60% of what it should be at this time.** According to our most recent Reserve Study, the target reserve ending balance for 2019 should be \$636,835. The actual reserve balance through 10/31/2019 is \$381,131, a shortfall of over \$255,000. Our small increases in annual dues over time have not been able to keep up with fully funding our Reserve Fund. At this time, the best way to recoup funds spent on the ash trees, which we are committed to have in our Reserve Fund, and to cover future anticipated long-term maintenance items for the community while operating in a financially sound manner, is with a Special Assessment. The 2020 Special Assessment will generate approximately \$51,000 that will go directly to the Reserve Fund, thereby providing a projected ending balance for 2020 of \$534,562. This decreases our reserve shortfall to just under \$165,000.

Steps will be taken to contain operating costs, while continuing to maintain the overall appearance of our community and adding to the Reserve Fund for long-term replacement expenditures. Here are the approved dues for 2020:

**Quarterly Fees Increase (3%) & 2020 Special Assessment (\$30 Per Quarter)
Effective January 1, 2020**

**Single Family: Dues \$167 + \$30 Special Assessment = \$197 per quarter
Townhomes: Dues \$218 + \$30 Special Assessment = \$248 per quarter**

2020 Updates & Projects:

- The Annual HOA Meeting is scheduled for January 15, 2020. Notice will be mailed in advance. Volunteers are needed to serve. Please contact our Association Manager for more information.
- Seal coat tennis and basketball courts. (This is a scheduled and anticipated expense from our Reserve Study.)
- Continue to remove dead ash trees throughout common areas, as required.

If you have any questions, please contact our Association Manager, Lily Lombardo. We thank everyone for their support in keeping Greenway Farms a fantastic place to live. Best wishes to you and your family for safe and enjoyable holidays!

Sincerely,
Board of Directors
Greenway Farms Homeowners Association