



Eagle Bend West Community Association, Inc.

In the greater Harbor Village community- a great place to live!

To: Members, Eagle Bend West Community Association, Inc.

From: Directors

Date: October 31, 2016

Subject: 2017 Budget

This is to pass along our proposed budget for calendar year 2017. It is also to provide several important updates.

As you will see in the budget attachment, and as we discuss in more detail below, we are convinced that for 2017 we can continue good cost control while anticipating a continuation of meaningful capital and maintenance projects, and fully funded reserves. And we can do this with no increase in dues.

Costs

In 2016 we continued our partnership with Western Mountains Property Management (WMPM) to find and use the most cost-effective means of maintaining our community while we addressed infrastructure improvements needed to keep our subdivision from showing its nearly two-decades age. In addition, we used the authority granted by members like you at our Annual Meeting to extend the WMPM contract for three years at no cost increase.

The most significant single cost in 2016 was for north Harbor Village/Eagle Bend West entrance improvements. They included a new landscape design, complete reconstruction of the irrigation system (to provide necessary underground soaking as opposed to only the old above-ground sprinklers). Fortunately, the entire expense was covered by our capital reserve account that we continually replenish.

For the coming year we expect other significant capital expenditures that include replacement of our principal water feature pump. There will also be necessary related electrical system replacements.

In our other most significant budget categories, utilities and landscaping are expected to increase somewhat, but we will continue to exercise cost control, building on our ability to limit increases from 2015.

Legal costs continue to be uncertain. We are budgeting the same amount as 2016 in anticipation of two specific areas of need: 1) taking title to common areas and finalizing cost-sharing and management agreements with our other Harbor Village neighborhood associations; and, 2) beginning work on revising our basic governance document, our 1997 Covenants, Conditions, Easements and Restrictions (CC&Rs) that each and every one of us must abide by as a condition of our property deed.

Our share of the larger Harbor Village operation and maintenance costs associated with the Pavilion are expected to remain flat, and will allow full maintenance funding.

We will also be evaluating a number of other capital projects and updates, including additional community street sign and lighting needs and options we may want to consider for the longer term. And of course there are certain to be smaller projects related to such things as sidewalks, drains and the like.

Reserves

Once again we will move into 2017 with fully funded reserves. These include separate Road Replacement and Capital Accounts as well as a CC&R-required Working Capital/Operational Reserve.

Dues Invoices and Payments

In accordance with our CC&Rs we will be sending a notice of the 2017 dues level to all EBWCA property owners by December 1. We expect that it will hold the dues level steady at \$375 per quarter based on the attached draft budget.

Please be sure to contact Western Mountains Property Management (406.257.1302) if you want to confirm or change the e-mail address for dues invoices. Our accounting and billing system will send invoices to one address of your choice. ACH auto-pay can also be set up. (You may request that general information such as Memos to Members or newsletters go to multiple addresses.)


You may also request that Western Mountains set up an ACH automatic payment process with your bank, which may be the best way of avoiding inadvertent late fees.

Other Updates

- Thanks to the good work of our Design Review Committee Chaired by John Cannon, and some excellent input from several of our residents on the draft updates to our Design Review Guidelines (DRGs), the Committee and Board expect this project to be completed in the near future.
- We appreciate the excellent cooperation this year with respect to residents' adherence to our CC&R and DRG requirements. Most important have been prompt dues payments, obtaining prior approval of proposed exterior property changes, and abiding by our external parking and storage rules and speed limits. All this contributes to ensuring that Eagle Bend West and the greater Harbor Village Community make up a beautiful and truly wonderful place to live.

Thank you - again - and Questions

We continue to appreciate your support and help. And if you have questions about the budget or anything anytime, please don't hesitate to give one of us a call.


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Eagle Bend West Community Association, Inc.
P.O. Box 468 Bigfork, MT

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2017

Proposed Budget as of 10-31-2016

57 Lots @ \$375.00 Dues per Quarter

Notes

INCOME:		
Association Dues	\$	64,980.00
Road Reserve	\$	6,840.00
Capital Reserve	\$	13,680.00
Late Fees	\$	100.00
Design / Transfer Fees	\$	500.00
Vacant Lot Mowing (In & Out)	\$	3,000.00
Miscellaneous Income	\$	100.00
Interest Income	\$	25.00
Total Income:	\$	89,225.00
EXPENSES:		
General & Administrative:		
Management Contract	\$	6,000.00
Office Supplies / Copies	\$	200.00
Postage and Delivery	\$	250.00
Miscellaneous	\$	200.00
Insurance:		
D&O and Liability	\$	2,500.00
Total Insurance	\$	2,500.00
Professional Fees:		
Audit / Accounting	\$	1,500.00
Licenses & Filing Fees	\$	20.00
Legal Fees	\$	7,500.00
Website	\$	1,000.00
Miscellaneous	\$	500.00
Total Professional Fees	\$	10,520.00
Total G & A:	\$	19,670.00
Pavilion:		
EBWCA Contribution	\$	3,420.00
Total Pavilion:	\$	3,420.00
Grounds & Maintenance:		
Lawn Contract	\$	13,500.00
Lawn Extras	\$	500.00
Total Lawn Maintenance	\$	14,000.00
Landscape Improvements	\$	1,000.00
Landscape Supplies	\$	800.00
Landscape Repair	\$	400.00
Landscape Entrances	\$	500.00
Flowers Contract	\$	500.00
Tree Maintenance	\$	2,500.00
Total Landscape Maintenance	\$	5,700.00

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Irrigation On/Off Contract	\$	750.00
Irrigation Pump Maint. (4)	\$	1,200.00
Irrigation Repairs	\$	400.00
Irrigation Extras	\$	125.00
Total Irrigation Maintenance	\$	2,475.00
Waterfall Pump Contract	\$	1,700.00
Waterfall Maintenance	\$	450.00
Total Pump Maintenance	\$	2,150.00
Christmas Decorations	\$	350.00
Lighting Repair	\$	200.00
Pond Weed Control Contract	\$	200.00
Painting	\$	100.00
Miscellaneous	\$	265.00
Total Other Ground Maintenance	\$	1,115.00
Vacant Lot Mowing	\$	3,000.00
Total Vacant Lot Mowing	\$	3,000.00
Electricity	\$	4,000.00
Total Utilities	\$	4,000.00
Total Grounds & Maintenance:	\$	32,440.00
Road Maintenance		
Crack Sealing	\$	2,000.00
Snow Removal	\$	3,000.00
Street Sign Maintenance	\$	500.00
Sweep Roadways	\$	800.00
Total Roads Maintenance:	\$	6,300.00
Grounds & Maint. Capital Improvements	\$	3,700.00
Roads Capital Improvements - Sidewalk/Gutter Repair	\$	3,175.00
Total Capital Improvements:	\$	6,875.00
Total Expenses:	\$	68,705.00
Road Replacement Fund (RR) \$30/YR	\$	6,840.00
Capital Reserve Fund (CR) \$60/YR	\$	13,680.00
Total Reserve Funds:	\$	20,520.00
Total Expenses & Reserves:	\$	89,225.00