



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: January 27, 2017

Subject: Update and Year-end 2016 Financial Summary

It is a beautiful snowy winter in the greater Harbor Village community, and there is good news with respect to our Eagle Bend West Community Association as we begin 2017.



2016 Financial Results

Even at our reduced dues level, we ended 2016 in solid financial condition. We were well within our budget and have contributed more than projected to our reserve accounts. A few highlights:

- Dues collections were on pace with expectations with all members essentially paid up. (There are a few minor issues related to things such as dues payment timing that are being addressed.)
- Expenses for operations were well within our overall budget, with some variances that were not surprising. For example, legal expenses were under budget because of a delay in expected work to address our common area ownership and revision of our CC&Rs. On the other hand, snow removal was over budget due to December weather.
- In addition to the specified Capital Reserve and Road Reserve allocations of dues shown on quarterly dues invoices, the Board has allocated all year-end cash to reserves. Balances at year-end were:

Road Reserve	\$ 30,429.75
Capital Reserve	\$ 27,015.42
Working Capital/Operating Reserve	\$ 30,058.82

Anyone wanting to review full 2016 financial details may contact our Treasurer, Dena Brunskill (760.567.9250, denalubrunskill@gmail.com).

A reminder: Recognizing an ability to more closely match revenues to expenses and desired reserves, we reduced dues for 2016. We have continued that dues level for 2017. We will continue to monitor expenses this year with the possibility of a further reduction in the future.

Common Areas

The Federal Bankruptcy Court overseeing the matter of Rocky Mountain Recreational Communities (a successor to the original Harbor Village developer) has issued an order granting ownership of streets

and other common areas to Harbor Village homeowners' associations. This is important, with two specific areas of importance to us.

EBWCA will soon receive deeds for our proportional interests in the Harbor Village Pavilion and the golf cart/pedestrian bridge over the canal behind our Canal Street residents. As we have done to date, we will continue to provide our share of management and funding to maintain those areas and facilities.

The next step in correcting mistakes and errors during the evolution of our community will be EBWCA's acquiring sole title to the common areas in Eagle Bend West that we have historically maintained and for which we have assumed costs of liability insurance on behalf of our members. Included are our streets, sidewalks, water features and other areas. The Board will now work to acquire title to these assets that technically still belong to the original developer, GSI, which is inactive.

Design Review Guidelines

Last year we circulated a new set of Design Review Guidelines for our community. We discussed them at length during our 2016 Annual Meeting and then requested formal written comments. We thank the dozen or so members who provided written input.

Our Design Review Committee has considered the additional community input on the guidelines, and the Board will soon revise and/or approve new guidelines which will be posted on our www.eaglebendwestmt.org website.

Canal Algae & Weeds

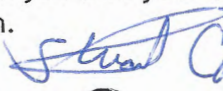
Following the fall canal harvesting/cleanup for which our canal residents contributed to a special Eagle Bend Yacht Harbor fund, approval was granted to the Harbor Association by the Montana DEQ for a weed/algae abatement program in the Spring. However, we will also need to focus community-wide on good practices that will help avoid nutrient loading (by fertilizers mainly) that find their way into the canal, harbor and river. We'll provide more information, but there is a Flathead County brochure on the subject on our website under Community News.


Governance

As we move toward our next opportunity to elect directors - our August 10 Annual Meeting - it is clear that at least several of us will not stand for re-election. We have enjoyed our service, and appreciated the support of our neighbors, but we firmly believe that new ideas are always needed - and that everyone has an obligation to serve their community.

With that in mind, we would appreciate your thinking about running for the Board. Anyone seriously considering running is invited to let us include you in observing some of the nuts-and-bolts work that goes into our meetings and the work of Western Mountains Property Management on our behalf. Hopefully that would assure you that your experience would be a good one - and that you would be able to make a great contribution.

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