



April 6, 2017

## Brighthurst Special Assessment Notice

**Dear Brighthurst Homeowners:**

We had a strong turnout at our 2017 Annual Meeting held in February at the Cameron Village Library. Thank you to all those who came and participated in a lively conversation about our community.

The majority of our discussion concerned how best to fund the capital expenditures that the Board has identified as priorities. These include

- 1) 1021 Siding and Painting (To be completed with funds currently in the HOA reserve account)
- 2) 1001 Roof (To be partially replaced with funds currently in the HOA reserve account)
- 3) 1000 Roof (Projected cost \$61,000)
- 4) 1001 Siding and Painting (Projected cost \$72,00)
- 5) 1000 Siding and Painting (Projected cost \$80,000)
- 6) Parking Lot Resurfacing, Sealing, Re-striping (Projected cost \$53,000)
- 7) 1021 Roof and Townes Roofs (not needed until 2020)

At the Annual Meeting, the Board suggested two funding strategies:

- The **Limp Along Plan** proposes 10% annual dues increases over the next 4 years and completes our capital expenditure priorities 1-6 (above) over 4-5 years.
- The **Fast Track Plan** proposes a special assessment of \$188, 000 and keeps dues at current levels until 2020 (after which an annual increase of 2% is recommended). The Fast Track Plan completes our capital expenditure priorities 1-6 (above) over 2-3 years.

After much discussion at the Annual Meeting about these two plans, we took an informal straw poll in which the Fast Track Plan was overwhelmingly preferred. Some of the benefits of the Fast Track Plan identified at the meeting included:

- The need is dire for exterior painting and siding repair/replacement for buildings 1001 and 1000 *and* roof replacements for buildings 1000 and 1001. Residents in the top floor of 1000 are regularly experiencing ceiling leaks. Owners of units in all but the Towns have shared feedback from realtors that prospective purchasers are concerned that the buildings look “shabby” and are concerned about the community’s overall property maintenance. The Fast Track Plan corrects these issues sooner and provides the community with more comfortable and marketable units while also helping to avoid costs related to continued deterioration of the building.
- The Fast Track Plan actually costs unit owners less over time than the Limp Along Plan:

**Example Based on**

**a 1,056 SF unit:**

	Fast Track Plan			Limp Along Plan		
Plan Summary	Assessment in 2018 followed by moderate dues increases starting in 2020.			No assessment. Dues increase 10% from 2018 through 2021.		
	Monthly	Annual	Increase	Monthly	Annual	Increase
2018 Assessment		\$2,200				
2018 Dues	\$234	\$2,808	0%	\$257	\$3,089	10%
2019 Dues	\$234	\$2,808	0%	\$283	\$3,398	10%
2020 Dues	\$239	\$2,864	2%	\$311	\$3,737	10%
2021 Dues	\$243	\$2,921	2%	\$343	\$4,111	10%
<b>Subtotal at 5 Years</b>		<b>\$13,602</b>			<b>\$14,335</b>	

Following the wishes of homeowners at the annual meeting, the Board is writing today to ask for you to vote on the special assessment of approximately \$2,000 per unit, adjusted for square footage. The Board recommends voting IN FAVOR OF the special assessment. We require 51% homeowner approval for the assessment. If passed, homeowners would be asked to

- **Pay the assessment in full by May 1, 2018**
- **Owners can send in quarterly payments of \$500.00 until the due date.**

**Please vote to approve by May 15, 2017. You can place your vote online, fax, email or mail. To vote online go to [www.grandchestermeadows.com](http://www.grandchestermeadows.com), current homeowners - select Brighthurst, and click on the Special Assessment Information link.**

For those seeking additional detail about the financial model, please see below:

Year	Item	Contributions	Expenses	Reserve Balance
2017	Current balance			\$ 150,000
2017	1021 Siding repair and painting		\$ (72,000)	\$ 78,000
2017	1001 Roof replacement		\$ (51,000)	\$ 27,000
2018	Projected surplus from operating account	\$ 55,000		\$ 82,000
2018	Special assessment	\$ 188,000		\$ 270,000
2018	1000 Roof replacement		\$ (61,000)	\$ 209,000
2018	1001 Siding repair and painting		\$ (72,000)	\$ 137,000
2018	1000 Siding repair and painting		\$ (80,000)	\$ 57,000
2019	Projected surplus from operating account	\$ 49,000		\$ 106,000
2019	Parking lot resurfacing, sealing, restriping		\$ (53,000)	\$ 53,000
2020	Projected surplus from operating account	\$ 43,000		\$ 96,000
2020	1021 Roof replacement		\$ (57,000)	\$ 39,000
2021	Projected surplus from operating account	\$ 47,000		\$ 86,000
2021	Townes roof replacements		\$ (59,000)	\$ 27,000

Notes:

- Contributions to reserves from projected surpluses are based on projected dues (kept flat until 2020) and projected annual budget expenses, which are based on 2017 budget and inflated at 3% annually.
- Expenses are all based on actual estimates, adjusted for timing.

\*\*\*\* **Ballot** \*\*\*\*

I/We the owners of \_\_\_\_\_ (insert address) as members of the Brighthurst Homeowners Inc.

\_\_\_\_ I/We vote to **approve** the proposed special assessment

\_\_\_\_ I/We vote to **deny** the proposed special assessment

Member Signature: \_\_\_\_\_ Date: \_\_\_\_\_