



Preston Springs Homeowner's Association, Inc.

November 16, 2007

Dear Preston Springs Homeowner:

First and foremost, this letter is your dues notice for 2008. At the November Board meeting, the 2008 budget and dues rate were approved. **For 2008, Preston Springs Homeowner's Association dues are reduced to \$450.** As outlined in our DCCR's, annual dues are still due and payable on or before January 1, 2008. The decision to reduce the dues to \$450 was difficult because we would have liked to decrease them even more. However, because of the financial problems in 2007, this could not be done.

As many of you are aware, the previous Board resigned in August and by that time, they had managed to spend the entire 2007 Operating Budget including almost \$40,000 of unbudgeted expenses. Because of this, only mandatory expenditures were authorized for the rest of the year. That's why there were no fall flowers. Also, funds that should have been dedicated to building up our "Reserve Fund" had to be used to meet expenses for the remaining part of 2007, we've now gotten through the problems and are looking towards a great 2008. Attached, for your review, you will find a copy of the 2008 budget and, as always, you can find a copy on the website.

The last 4 months of 2007 has been a very busy time for your new Board. There are now three member committees up and running - Finance, Landscape, and Communication/Community Involvement. We've replaced our management company, landscape company, and attorney. Basically, there is a whole new team for the Association. The need for a new management company and attorney was twofold; first, we were uncomfortable with both because of their actions at the annual meeting and inaccurate guidance. Secondly, after reviewing options, we determined their fees were too high. As for the previous landscape company, the change was driven primarily by cost, but performance was also a factor. We put out an RFP (Request For Proposal) and received five proposals. By going through this process, we were able to reduce our annual landscape maintenance cost by almost \$5000, and we expect to get better service. So in this case, change is a good thing.

You are encouraged to check the Association's website regularly at www.prestonspringshoa.com to stay abreast of things. You will find up-to-date meeting minutes from the Board, Committees, and Member meetings. Also, you will find the budget

and up-to-date financial information. To date, we've only been posting a financial summary spreadsheet because the financial page was not password protected. However, starting in January, we will be posting our monthly financial reports from the Management Company, so that you can see where all the money goes. To review the financial page you will need a "User Name" and "Password". Don't worry, it will be pretty simple, everyone in the neighborhood will have the same "User Name" and "Password" - the User Name is "████████", and the Password is "████████" ...should be pretty easy to remember.

To control costs, our primary method of communication to the membership is, and will be, via the webpage or e-mailing. For those of you who have not been receiving monthly e-mails from the HOA President and would like to, please send your name, address, and e-mail address to info@prestonspringshoa.com. We will add you to the distribution list. All e-mails are sent out as "blind copy" so that your e-mail address can't be seen and is not shared. Also, all members are welcome to attend Board Meetings. The schedule for these meetings are on the website.

Finally, it is our sincere hope that all homeowners feel a sense of community and have the opportunity to be heard and be as involved as possible. Furthermore, we believe you always have the right to ask questions and be treated with respect. If you have a concern, please feel free to contact any board member. Our e-mail addresses are on the website.

Thank you in advance for your timely payment of your annual dues. And, we wish all of you a wonderful holiday season and fantastic new year! Oh, and don't forget to wave at each other when out in the neighborhood.

Sincerely,

Preston Springs Homeowner's Association, Inc. Board of Directors