



A letter from the Lake Limerick Board of Directors

Before our membership is a vote on our 2023-2024 budget. The purpose of this letter is to explain the process and thinking behind the budget we have proposed.

BACKGROUND

Starting in the spring, we held public meetings for the board to better understand all aspects of the budget. Through weeks of public study sessions we asked hard questions, met with staff, and heard from many volunteer committees. In the end, we all agree that we have a responsibility to today's membership, and to future generations - and that the budget must reflect this responsibility.

We are fortunate that our roads are maintained by the county and that electricity is provided by the PUD. However, other aspects of living here are our financial responsibility. This includes our water system (for drinking) and amenities including the lake, golf course, our parks, the inn/lounge, cafe and more.

Some amenities bring in no revenue such as our parks and lake. Others such as the inn/lounge, golf course, and cafe do bring in revenue. We are happy to report that those amenities that do bring in money are continuing to reduce the difference between what they bring in and what it costs to run them. That difference between revenue and operating costs is an ongoing priority that the board will continue to address.

RESERVES:

There is the pressing reality of our aging infrastructure. Buildings, major equipment, our lakes, and parks are a few examples. Though it has been discussed for many years in board meetings, not enough has been done to adequately save for the impending needs. We must plan for the long-term maintenance and replacement of major items that it takes to run our community. The Reserves Budget and funds are related to the long-term maintenance and replacement of our foundational community features.

OPERATIONS:

We aim to please and serve the membership, thus we have looked carefully at the operational budgets. Every year the Board presents to the community a budget that anticipates what is needed to run the HOA and water system. Costs go up for almost everything year over year just as they do for our households. In other ways, the budget will increase due to our investment in security services, bathroom improvements, and additional legal expenses to help us recover "past-due" accounts, thus bringing in money that is owed to us. We know that some of what we pay for today will pay dividends in community enjoyment and fiscal health. It's also important that we pay our hard-working staff a reasonable wage.

SUMMARY

Based on all of the above and so much more, the board has adopted a budget for a vote of the membership that includes these increases:

HOA:

- An increase in dues from \$90 to \$100 per lot to support the operations of the HOA
- An increase in the reserve fund from \$10 to \$20 per lot to support long term infrastructure maintenance and replacement

Water:

- An increase in base rate from \$42 to \$44 to support the operations of the water system
- An increase in the reserve fund from \$12 to \$14 to support long term infrastructure maintenance and replacement
- The base allocation will remain 6,000 gallons. For each additional 1,000 gallons used above the base allocation of 6,000 gallons, revised tiers are proposed with increased costs-per-gallon for the additional gallons.

As a board, we recommend this budget and rates acknowledging that we have a variety of members in terms of financial ability, needs, and interests. We have done our best to incorporate what we believe is best for our entire membership in this budget proposal.

We suggest these videos might also be helpful in understanding the operations of Lake Limerick:

- Lake Limerick Town Hall: How are we governed? <https://youtu.be/aHGp4BEBUs0>
- Lake Limerick Town Hall: How The Water System Works https://youtu.be/G_HXQwo6WuY

Thank you.

Sincerely,
The Lake Limerick Board of Directors