

**PINE MEADOWS HOMEOWNERS ASSOCIATION**

P.O. Box 2339 Overgaard, AZ 85933

Please visit us at our website at:

AZPineMeadowsHOA.com

March 22, 2021

**VIA U.S. MAIL**

All PMCCE Members

**Re: Annual Assessment for 2021-2022**

Dear Pine Meadows Homeowners Association Member:

Accompanying this letter is the invoice for your 2021-2022 Annual Assessment. You will note that the assessment has been increased from \$40 annually to \$48 annually. This action was taken by a unanimous vote of the Board of Directors. The Board decided to increase the dues for a variety of reasons.

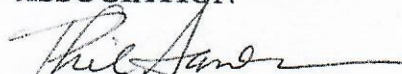
First, it has been approximately 10 years since an increase to our annual dues. During that 10-year period, expenses have increased including the premium for our Board of Directors' Errors & Omissions Insurance. That premium increased from approximately \$1,000 annually to nearly \$2,000 annually. Other expenses have increased as well. Approximately 3 years ago, our HOA became embroiled in potential litigation involving ownership of the sewer plant which required our Association to pay a \$10,000 insurance deductible under our insurance policy to pay for a portion of the attorney's fees incurred by the law firm hired by our insurance company (the policy paid the balance of our fees). Perhaps the most significant reason is that recently some of the mortgage companies providing financing for home purchases have inquired about the financial integrity of our HOA. The inquiries, when made, were primarily concerned with having a current insurance policy (our deductible is now only \$2,000) and the amount of our "reserves" to meet unexpected or emergency expenses. We have approximately \$33,000 in financial reserves. The Board felt that increasing the reserves may be important to deal with any foreseen expenses or emergencies.

In closing, your Board also wants to emphasize the fact that all Board Members serve as volunteers and that there are no personal expenses of any kind reimbursed or any compensation paid to any Board Members. All funds received from the payment of the "assessment" are used exclusively for the benefit of your HOA.

Finally, because summer is quickly approaching, your Board has asked each of you to consider becoming a candidate for Board of Director membership. Our Annual Meeting is held in July of each. You will receive notice of that meeting. In the "Notice" of the Annual Meeting, you will be given guidance on how to place your name on the ballot. We hope that each of you will give consideration to running for membership on the Board.

Sincerely,

**PINE MEADOWS HOMEOWNERS  
ASSOCIATION**



Phil Sanders, President