

Property Owners Association of Lake Ridge

NOTICE OF SPECIAL MEMBERS MEETING October 17, 2023

Dear Property Owners Association of Lake Ridge:

As President of the Board of Directors of the Property Owners Association of Lake Ridge, I am notifying you of the Special Members Meeting to be held on **Tuesday, October 17, 2023**. The purpose of this meeting will be to vote on a \$65 community enhancement fee for the period of 2024 through 2029 (six years). We will be reviewing the reserve study completed in August 2023 and why we need the \$65 community enhancement fee. We will also review how the community enhancement fee was spent over the last nine years (2015 - 2020 : \$125, 2021 - 2023 :\$35)

We need your support to fund the maintenance of our common areas and clubhouse for the next six years. There is one ballot allowed per Lot. If you own more than one Lot, your ballot will be weighted, and all your lots will be listed.

1. Vote online (preferred). Electronic voting is safe and easy. Follow the instructions on the invitation email you receive from our voting site poalakeridge@ivotehoa.com . If you don't receive the email you can go to the website below to request your voter registration code.
Web Address: <https://poalakeridge.ivotehoa.com/register>
2. Attend the meeting to vote via paper ballot.
3. Return the proxy enclosed with this letter

Enclosed please find a proxy/ballot that may be used for voting and quorum purposes in the event that you are unable to attend the meeting. (Please do not assign the proxy to yourself). **It is very important that you assign your proxy or vote online if you are unable to attend. The meeting cannot be held until a quorum is present either in person or by proxy, including online ballots.**

Please return your executed proxy/ballot to the Property Owners Association of Lake Ridge at 100 Lake Ridge Parkway, Cedar Hill, TX 75104. You may also scan the document and e-mail to POAFLR@CIRAMAIL.COM

Please plan to join us at the following place and time:

DATE: October 17, 2023
TIME: 7:00- 9:00 P.M.
LOCATION: Lake Ridge Elementary (Cafeteria)
1020 Lake Ridge Parkway
Cedar Hill, TX 75104

We look forward to seeing you on **October 17, 2023**. If you have any questions; please feel free to call our POA office at (972) 299-5270 or e-mail POAFLR@CIRAMAIL.COM.

PROPERTY OWNERS ASSOCIATION OF LAKE RIDGE



Patrick Dale
Board President

Enclosures

100 Lake Ridge Parkway Cedar Hill, TX 75104

972-299-5270 * Fax 972-293-7119

**For additional
Information including
the materials to be
reviewed on
October 17, 2023**

Visit

lakeridgepoa.org/reserve

*******IMPORTANT - DO NOT DISCARD*******

THE PROPERTY OWNERS' ASSOCIATION OF LAKE RIDGE
PROXY/BALLOT TO APPROVE THE COMMUNITY ENHANCEMENT FEE FOR 2024 - 2029

I, the undersigned, being the record Owner of the property identified below, or being the authorized voting representative for said property, revoke any proxies given previously and do hereby grant to the person identified below (my "Proxy Holder") my revocable Proxy to cast my vote(s) as I have instructed below, subject to the terms of this Proxy/ Ballot, and in all other respects to act on my behalf, as a Member of The Property Owners Association of Lake Ridge. My Proxy Holder is authorized to be present and vote on my behalf to the extent I have instructed below:

DIRECTED PROXY FOR THE \$65 COMMUNITY ENHANCEMENT FEE

I hereby direct my Proxy Holder to cast my vote either YES or NO for the proposed \$65.00 Community Enhancement Fee:

YES

NO

Based upon the Reserve Fund study completed by Reserve Advisors on July 18, 2023, the current funding of our Reserve Fund is insufficient to cover the anticipated cost of maintaining the capital investments of our Lake Ridge Community. **To mitigate the significant risk of a high future Enhancement Fee to compensate for the deficiency, the Board recommends, a Community Enhancement Fee of \$65.00 per year for six years, starting in 2024 until 2029.** The board will complete another Reserve Fund study in the fall of 2028 to determine whether the community enhancement fee has been excessive, sufficient, or insufficient before proposing to renew or reform it during the 2029 annual members meeting. If approved by the Members, the Community Enhancement Fee will be due on the 1st day of January of each year starting in 2024 until January 2029.

DESIGNATION OF PROXY HOLDER

I HEREBY DESIGNATE MY PROXY HOLDER AS : (Check Only ONE)

President of the Property Owners Association of Lake Ridge, or, if the President is incapacitated or unwilling to act as my Proxy Holder, then to the Secretary of the Association.

OR

To: _____ {Please print individual's full name}; or if the person named is incapacitated or unwilling to act as my Proxy Holder, then to the following individual alternate (optional): _____

SIGN AND DATE (Ballot Valid from October 3, 2023 – October 19, 2023 at noon)

In order for this Proxy/Ballot to be valid it must be signed and dated.

EXECUTED BY OWNER/MEMBER on this DATE (specify date): _____

(Your Signature – Owner/Member)

Signature of PROXY HOLDER

(Your PRINTED NAME– Owner/Member)

Property Address or Lot Number(s)

Where I have given my written proxy to another named person dated later than the date hereof, such subsequent proxy will supersede and suspend the effectiveness of this proxy.

Mail, fax, or email this form to: The Property Owners Association of Lake Ridge
100 Lake Ridge Parkway, Cedar Hill, TX 75104
Fax: 972-293-7119 or email to : POAOFLLR@CIRAMAILCOM
If you have any questions regarding this form, please do not hesitate to give us a call at 972-299-5270.

Anticipated Questions & Answers

Q: Will the \$65 Community Enhancement Fee be in addition to the \$35 Community Enhancement Fee?

A: NO. The \$35 Community Enhancement Fee ended in 2023 and the \$65 Community Enhancement Fee would take effect in 2024.

Q: What would happen if we don't approve the \$65 yearly Community Enhancement Fee?

A: There is a high risk of another substantial (\$150+) Enhancement Fee that would be required in the next 5-6 years as capital assets continue to age and will require repair/replacement.

Q: Why not just budget additional funds from the Association Fee?

A: There have been significant reductions in some budget line-item spending. However, a thorough review of the current operating budget has been completed and an additional allocation of \$143,770 is needed to fund the reserve.

Q: Won't this just facilitate the general raising of homeowner costs?

A: Outside of the recent Enhancement Fee, there has been NO adjustment of Homeowner Assessments since the founding of our community. The gradually rising operating costs have been satisfied at the expense of future liability risk. This measure is the least impactful option identified to mitigate that risk.

Q: There is currently over \$1.35M in POA homeowner equity. Why do you need more?

A: This includes 3 components; \$822k for the repair / replacement reserve, \$125k remaining from the 6 year (2014-2020), \$125 community enhancement fee which will be used to enhance our community in 2024 and finally \$406k in prior year retained earnings. These funds will allow us to maintain our capital assets for roughly 5 years, but we would then run out of money.