

LAKE WALLKILL COMMUNITY, INC.

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January, 2015

Dear Member,

On behalf of the Management Committee, Brendan & Kerri, I wish you and your family a happy and healthy new year.

Key information about our community:

2015 Budget/Dues: The Management Committee met in open meeting on November 23rd to discuss the budget for 2015. The Management Committee voted to implement dues of **\$1,050.00 in 2015**, a modest \$50.00 reduction from 2014. The combination of tight expense controls and collections from our past dues arrears have allowed for this modest reduction in dues. At the risk of stating the obvious, the more members that pay their fair share, the less each individual has to pay to meet the budget needs of the community, this reality is reflected in the 2015 Dues amount. Importantly, the budget in 2015 also funds significant improvement projects including a new Tennis Court, Exterior repairs and painting of the Clubhouse, Guard House rehab as well as other smaller projects to improve the infrastructure in our community that have been deferred over the years due to increasing dues arrears. Through November we have collected more than \$61,000 in back dues. The collections program continues, in September we placed liens on more than 40 properties to compel payment of dues arrears. The 2015 budget also reserves funding for legal expenses that could arise from our collections efforts (see Legal Update below).

Legal Update: A personal injury claim in Fiore vs Lake Walkkill was dismissed. This suit was defended by our insurance company, there were no costs to the Lake.

Regarding the collections program and the liens filed in September; three members (all related) filed suit in October demanding the liens be discharged and claiming Lake Walkkill had slandered their title. The suit was referred to our insurance company who has assigned a law firm to defend the Lake for claim one (lien discharge). For claim two (slander of title), our insurance policy contains an exclusion for slander so we must pay our own attorney to defend this aspect of the lawsuit. We have hired Dolan & Dolan to defend this action and anticipate some legal expense to defend this lawsuit. We will keep the community updated on progress in this case.

Irene Reimbursement: In September, FEMA requested additional information with regard to our application and appeal along with all of the Lake communities in Vernon. Extensive work was done in collaboration with Town officials and the NJ Office of Emergency Management (OEM) to develop an appropriate response to FEMA's questions and concerns. That response was submitted December 19th, 2014. FEMA has 90 days (from 12/19) to make a final decision on Vernon's appeal of the private community reimbursements.

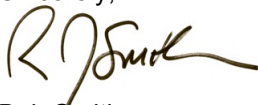
More members are finding **Payment Plans** a convenient and confidential way to manage their dues bill especially in a case of financial hardship. We have a Finance Committee to handle the administrative process confidentially. Members may use the enclosed dues form to indicate they are interested and need to be contacted about a payment plan. If you need a payment plan, please request it early to avoid any late fees. For more information on payment plans you may stop by the office or find it on line at: <http://www.lakewalkill.com/pdfs/fcp.pdf>

Planned 2014 Meeting Dates (Subject to confirmation, with details, at least 14 days in advance)

Saturday March 21 & May 23, Friday (evening) July 3, Saturday July 25 & September 5 and the annual Budget meeting on Sunday November 22. (Note: Because the holiday is late in 2015, the budget meeting will be held the Sunday before Thanksgiving)

Based on real estate taxes paid by our community, the amount allocated to each member in good standing is **\$59.28**, which may be used for income tax purposes.

Sincerely,



Bob Smith
President, Lake Walkkill