

MCKAY'S MILL MASTER ASSOCIATION

DRAFT 28 Oct 11

To: McKay's Mill Master Association Members
From: McKay's Mill Master Association Board of Directors
Re: 2012 McKay's Mill Master Association budget
Date: November 7, 2011

You are receiving this letter because you are a member of the McKay's Mill Master Association; the governing documents of the Association require that the Board submit to you a draft of next year's budget, which is attached. After comments and suggestions are received, the Board will adopt a final 2012 budget. The final 2012 budget will be mailed to homeowners in early December 2011.

The current monthly \$45 dues will remain the same, to enable the Master Association to meet its current obligations, as well as follow recommended reserve funding.

The 2012 budget is based upon actual history, and is the first Master Association budget to accurately reflect all costs and contractual obligations. Over the past year, the Master Board of Directors has worked to determine exactly what the Master Association's responsibilities are, and what it costs to meet those responsibilities. In general, the Master Association is responsible for the common areas and amenities that are available to all the families of the owners of all 1,336 lots. So it is responsible for the clubhouse/pool area, playgrounds, and those monuments (signs) that identify McKay's Mill throughout the community. The Master Board has also agreed to maintain certain other areas which are owned by the "sub-associations" (Montgomery Place, McKay's Mill Single Family Association and Park Run). These are the grassy strips along main thoroughfares – Liberty Pike, Market Street, Oxford Glen and Turning Wheel – and the walking trails. In addition, the Master Board agreed to own and maintain the three lots with retention ponds that provide recreational opportunities to all Master Association members.

As two of the biggest costs in the Master Association budget are grounds care and irrigation, the Board is exploring the options for an alternative water source that would be less expensive than continuing to obtain water from the utility district. We are considering a well/irrigation project that represents a tremendous opportunity to reduce dues for the Master Association. A modest one time \$25 special assessment per home is expected to be enough to pay for this project. The remainder of the required funding for this project will come from the monthly dues that are not being reduced this year.

A Special Meeting of the Master Association Board of Directors will be held at 6:30 PM on Thursday, November 17, at the McKay's Mill clubhouse. The purpose of the meeting will be to discuss the well/irrigation project planning that has taken place, the cost of the project, and the expected return on investment. All owners are invited to attend, and to participate in the discussion. The Master Board of Directors encourages your input, so if you are unable to attend, please submit your comments and questions to Janice Linder at janice.linder@ghertner.com.

MCKAY'S MILL MASTER ASSOCIATION

The availability of wells to provide water for irrigation will provide substantial savings for the Master Association over the short and long term. This, in combination with a more “green” approach to landscaping – which is the installation of more native plantings that survive the temperature extremes we experience in this part of Tennessee - will provide a significant return on investment, and add value to McKay’s Mill.

The sub-associations will continue to maintain the monuments that identify the various neighborhoods, and grounds not maintained by the Master Association; these include traffic circles, gazebos, and boulevards within the respective neighborhoods. Please remember that your sub-association will decide upon a separate budget, and fees for that association are not included in your fees to the McKay’s Mill Master Association.

If you want to review the McKay’s Mill Master Association governing documents you can find them at <http://mckaysmillhoa.com/community-resources/>. To see your account, or arrange to pay your Master fees electronically, we suggest that you log onto www.ghertner.com. You will need an initial “security key”, so please call 277-0358 for assistance.