

May 30, 2017

To: **Lazy TH Property Owners**

From: **Lazy TH Board**

Subject: **Street Repair Financing – Major News**

Background

For several years the large, looming expense of street repair and maintenance has been a topic at annual meetings. Last year we voted to increase the annual assessment to \$700 to meet the anticipated cost of the street maintenance we will need next year as well as to start saving for the major street repaving we know will be needed and which will cost several hundred thousand dollars.

We considered forming something called a Rural Improvement District (RID) but rejected the idea because of the high costs of attorney, county government and bond fees which would consume 30% or more of our money just to organize it. This type of RID is a construction RID.

New Information

We have recently learned, through the diligent work of our HOA Manager Kathi Thorson, that another type of RID exists. This is a Maintenance RID and many subdivisions in the state as well as in the county use this type of RID to save for large street repairs and other routine subdivision maintenance work. It is much easier to organize and has minimal set up and continuing expenses.

We would continue to save money, but we would do it through our property taxes. This has two significant advantages for us.

- **First: The money we are saving would become deductible on income taxes.**
- **Second: It would allow us to substantially reduce the annual HOA assessment.**
- **Third: Street cost savings by pooling work with other subdivisions.**

This will be the first item on the agenda at the annual meeting. The purpose will be to provide you with information about this important development and to gauge HOA membership support for an RID. We will have a representative at the meeting from the engineering company that organizes these RIDs for the county to answer questions. The Board is very enthusiastic about the potential benefits this offers Lazy TH property owners.

The annual meeting is Thursday, June 15, 2017 at 5:30 pm at the Sourdough Fire Department.

Sincerely,
Nick Hether
President, Lazy TH HOA