

October 27, 2011

Dear Vistas Homeowners,

The financial health and stability of the association is one of the main objectives for this Board. Balancing the budget is a yearly priority and one that is viewed seriously. As we look to 2012 we are mindful of the continuation of home foreclosures and other hardships we are experiencing as a community and that everyone is doing their best under sometimes difficult circumstances.

Enclosed for your review is the proposed 2012 operating budget for the association. The Board of Directors reviewed and adopted the Budget at their September 29, 2011 regular Board of Directors meeting. Most of the categories remain relatively the same except for the Landscape Contract amount which was increased to \$100,000. The increase is due to the fact that the current landscape contract with National Landscape will end December 31, 2011 and we have gone out to bid for a new contract beginning January 1, 2012. Several sealed landscape bids were opened at the last Board meeting and are currently being compared and reviewed. References are being checked as well. A couple of the bids were within the \$100,000 budget amount and the rest would cost the association more than the budget amount. It is our intent to find a qualified landscape company to perform the job within the proposed amount with no increase in assessments. If this is not possible and the contract costs the association more than the budget amount, then the budget line items will need adjustments.

The bid proposal's requirement to have 3 men, 5 days a week, on the parkway during the peak season from March – October and 2 days a week from November – February did not change. The bid proposal was however more specific in terms of what needs to be done on a regular basis. A regular Board of Directors meeting will be held on Wednesday, November 16, 2011 at 10:00 a.m. to award the landscape contract for the association. The meeting will be held at 1281 Terminal Way, Suite 217, Reno, NV 89502.

Also enclosed for your review is the 2012 Reserve budget. The association is required to fund adequate reserves on a reasonable basis for the repair, replacement, and restoration of the major components of the common elements. It is not designed to be used for the daily maintenance of the association. This analysis must be prepared by a qualified firm. Resource 1, LLC has updated the Reserve Study for 2012 and we have included the expense item summary from their update for your information.

NRS 116 requires that the adopted budgets be ratified by the general membership of the association. The Budget, as presented, will take effect January 1, 2012 unless a majority of the overall membership opposes the attached budget. The meeting for ratification of the operating and reserve budget is scheduled for Wednesday, November 16, 2011 directly following the general Board meeting in the association office at 1281 Terminal Way, Suite 217, Reno. Also, as required by NRS 116 we have included a copy of the association's collection policy.

Any questions can be emailed to [Info@vistashoa.com](mailto:Info@vistashoa.com) or you can call the association office at 786-0500.

Regards,

Margaret Powell, President