

As you are all aware, the Board of Directors, of the Blue Ribbon Farms Home Owners Association, will be asking it's members to vote upon a special assessment at the upcoming, annual meeting. The Special Assessment will entail a one time fee of \$200 per Lot. With our long history of low home owner's fees and lack of special assessments, the Board fully understands that many of you have questions regarding of where funding has gone, why more funding (ie an assessment) is required and what our financial future looks like.

The simple answer is that since early 2022, our action against the Mason Wing Walking Academy (MWWA) has cost Blue Ribbon Farms approximately \$41,000 in legal expenses. The Board, at last year's annual POD meeting, requested and received approval to budget \$20,000 for legal expenses. This \$20,000 reflected what our attorney felt should be adequate in resolving the action. Unfortunately, approximately twice that amount was required because the case could not be settled out of court. Many affidavits, filings, depositions, court appearances and billable hours caused all the added expense. The Association had an account balance of \$39,668 in May 2022 and these legal expense have depleted our funds so much so that 10 members of the Association have loaned the Association \$12,550, which will need to be re-paid.

The good news is that we won the case and were awarded all legal fees and expenses involved. The not so good news is that we have not yet been able to collect this money. The Masons (MWWA) has elected to appeal the Court's findings and in doing so, delay collection of the funds. Although the Superior Court has aided us to secure a substantial portion (\$21,000) from some of MWWA's local bank accounts, we are still waiting for the check. Although we should have the money in our account by the time you read this, because of the appeal process, we feel it wise to not utilize these funds until a conclusion of all pending legal action has taken place.

It is important to emphasize the fact that both the Board and our attorney feel strongly about our ability to prevail against any appeal attempt. Unfortunately, the MWWA Appeal will add more time and legal expenses. The fact that our legal system is designed to provide several avenues for appeal, leaves us with uncertainty as to when this will be concluded. We are aware of several "hard" dates that must be met in this process. Bottom line, the Appeals process could conceivably take as long as late summer 2023. In the State of Washington, if the Appeal fails, all additional legal and associated expenses will be paid to us

Because some individuals have stated that this is a "rogue" or "illegal" Board in its actions, we felt it might be helpful to quote the Blue Ribbon Bylaws:

**Article VI, Section 14 (page 9) states, "the primary duties of the BOD shall be to enforce the Declarations of Covenants, Conditions and Restrictions of record of Blue Ribbon Farms Divisions 1&2"**

And to accomplish this, the BOD shall have the power to:

**"Propose regular or special budgets of the Association for ratification by the owners at the Annual Meeting or Special Meetings of the Association. Establish, assess and collect annual special charges, dues and assessments as determined in accordance with these bylaws and the Declaration of Covenants, Conditions and Restrictions...sufficient to discharge the responsibilities of the Association."**