

May 1, 2024

## **NOTICE OF EAGLEWOOD ASSOCIATION DUES INCREASE**

**Change: \$75/month to \$85/month**

**Effective Date: July 1, 2024**

Dear Eaglewood Association Homeowners:

The Board of Directors has voted to increase the dues, as captioned above, which is an increase of about 14%. The last dues increase was January 1, 2013 and increased those dues from \$45/month to \$75/month or about 67%.

The Board has carefully budgeted both Operational Expenses and Capital Expenses since that last increase. Over \$3.4 million Capital infrastructure has been replaced and upgraded in those 10 years. These improvements maintain the value of all properties within Eaglewood.

In 2022, the Board hired VEI Consultants, a Civil Engineering firm with a long history with the subdivision to update the 5, 10, & 15 year Long-Range Maintenance Plan. VEI issued their report to us in November 2022. Their report shows a need for Projects totaling \$1,730,400 over the next 5 years in order to maintain our infrastructure in good condition. This means projects of at least \$346,080 in cost each year for the 5 year period.

Our current dues structure at \$75/month produces income of \$834,300 per year. Our budgeted Operational Expenses for are \$584,420. This gives us the following situation:

Income from Dues	\$834,300
LESS Operational Expenses, 2024 Budget	584,420
LESS Provision for Uncollected Accounts	10,000
Cash Generated for Reserves or Capital Projects	\$239,880

As stated above, the expected cost for Capital Projects in each of the next 5 years is \$346,080 which leads to the deficit illustrated here:

Current Cash Generated for Capital Projects	\$239,880
Cash needed for annual projects, years 1 to 5	346,080
Current Capital Budget deficit	-\$106,200

Increasing the Dues by \$10/month will provide \$111,240 to fill the Capital deficit above. This is very slightly more than the deficit illustrated and the Board's sense is this is prudent as the VEI estimates are subject to inflation and should be treated as the low end we will need to invest in our Capital Infrastructure.

No one likes to see the increase to our living expenses, but it is essential that we prudently and gradually work to maintain our subdivision which supports the value of our homes. Our homes, for most of us, are our most valuable asset.

We appreciate your understanding and the Board will continue to work diligently to control expenses and keep Dues Increases infrequent and small.

Best Regards,

The Eaglewood Association Board of Directors