

July 24, 2023

Dear Willow Lake Homeowners,

We hope this email finds you well. As the Board of Directors, we wanted to provide you with some essential updates regarding our neighborhood's financial matters.

**A Brief History:**

Five years ago, the Association faced financial challenges due to inadequate working capital and a lack of reserves for potential contingencies and infrastructure repairs. In response, changes were made in the Board, and a dues increase was implemented to address these concerns. Since then, we have diligently managed our monthly obligations, built a reserve fund, and successfully completed major repairs to the gate, roads, and storm drains, all without requiring additional assessments or dues increases. Today, we are pleased to inform you that our Association's infrastructure is in excellent condition, and we are in a strong financial position.

**2024 Budget Development:**

As part of our responsibility, we are currently in the process of developing the 2024 budget. After reviewing the actual results for June 30, 2023, and projecting the remaining expenses for the year, it is evident that inflation experienced over the past three years has significantly increased costs across the board. Some expenses, such as utilities (including street light electricity), have not yet fully reflected the recent price increases. As a result, projected 2024 expenses, including reserves, are expected to exceed our revenue.

**Dues Adjustment:**

In light of the financial situation and to ensure the long-term prosperity of our neighborhood, we have made the decision to increase the annual dues starting January 1, 2024. The new annual dues will be \$1,700, up from the current \$1,500. Additionally, we would like to remind you that beginning January, dues will be invoiced semi-annually rather than quarterly. Therefore, the January invoice will amount to \$850, which will be payable by the end of the month. Alternatively, you may choose to pay the full year's dues in January.

**Providing Ample Time for Adjustments:**

We understand the importance of budgeting and planning for these changes. That's why we wanted to share this news as soon as possible, allowing everyone ample time to make necessary adjustments to accommodate the revised dues structure. If you have any questions or concerns regarding this change or any other matter related to the Association, please feel free to contact any of our directors.

Thank you for your understanding and cooperation in ensuring the financial stability of our revered community. Together, we can continue to maintain the high standards and excellent amenities that make Willow Lake a wonderful place to call home.

Best regards,

Michael Carrigan

On behalf of the Willow Lake Homeowners Association - Board of Directors