



10/25/2023

Residents of Valley De Luna:

I am writing to discuss recent action the Board has taken on our monthly dues. The Board has voted to raise the dues to \$160.00 per month, as of January 2024.

The Board appreciates that this increase is more than we have considered in the past but the economic condition of the HOA unfortunately mandates it. In all candor we should have raised the dues to \$150.00 a month when we went to \$130.00 earlier this year but the Board wanted to keep them as low as possible for as long as possible.

The current due structure is simply unsustainable. Our current budget projections show us being \$10K in the hole by the end of the year forcing us to use some of the HOA reserves. We are still pursuing reimbursement of more than \$10K from the City for the manhole covers, we have incurred some legal expenses relating to a CCR violation, the pool expenses have gone up and the lawn care as well. Perhaps the most significant cost increase relates to the water. We have currently spent \$46K on water year to date, yet based on rate projections the Board only budget \$43k, with two months to go. Because of the summer heat our usage has dramatically increased. The City of Phoenix has advised it will raise water rates by 6% the first of the year and an additional 6% at two more six-month intervals. That's an 18% increase in 18 months. The current due structure can sustain this type of increase.

The Board has voted to institute a \$3,500.00 transfer fee on the sale of any resident (paid by the buyer) with that amount dedicated to our capital/reserve fund, since the dues increase alone won't allow us to repay the reserves considering the budget pressure next year.

The Board has been looking at this issue for months and only reluctantly decided to act. While we appreciate the impact this may have on individual residents, we view it as our obligation to do what we can to maintain the premises to the benefit of all enjoyment and property values.

Bill Doyle,
President MVGLTA HOA