

## A Letter to Homeowners Regarding the Increase in Assessments

The Board of Directors recently reviewed the Association's 2006 year to date expenses, the anticipated expenses through the end of the year and the projected expenses for the year 2006. Following a thorough review of those expenses, the budget for the 2007 fiscal year was adopted. Careful consideration was given to each expense category to ensure that the homeowner's money was being spent wisely. Most of the items within the expense categories have experienced increases over the past years. Increases have occurred in almost all of the Association's expense categories including security, utilities, street lights, insurance, maintenance, landscaping, pool management and service and management services.

In order to continue the current level of service and maintain the community's facilities, the Board of Directors has determined that an increase of 7% in the assessment of is necessary. Even with the increase, the Association's expenses are projected to exceed income by approximately \$12,000.00. The difference will be taken from reserves.

The increase 7% will equate to an increase of \$25.00 for the annual assessment. The new assessment will be \$385.00.

This is the first increase in assessments since 2001. The last adjustment to the assessment rate in 2004 was a reduction of \$10.00 per year. Below is a history of the assessment rate for the prior 10 years.

1997	\$370.00
1998	\$409.00
1999 - 2001	\$350.00
2002 – 2003	\$370.00
2004 – 2006	\$360.00

Your assessment beginning January 1, 20057 will be \$385.00. The Assessment is due on January 1<sup>st</sup> and will become delinquent if not paid by January 31<sup>st</sup>