

October 26, 2022

Dear Baycrest Homeowner,

I have attached the proposed Baycrest 2023 budget that was presented to the board today for your review.

The proposed 2023 quarterly dues will increase from \$825 to \$1,000 next year. This increase was necessary to cover inflationary increases of both operating and reserve expenditures.

With the increase in HOA dues, total Revenues will increase \$63K from \$297K to \$360K, which is a 21% increase.

Total Operating expenses are increasing \$43K from a budgeted 2022 amount of \$239.6K to \$282.6K which is an 18% increase. Increased inflationary costs account for approximately 10% of the increase and the remaining 8% increase is for community enhancements including, website upgrade, pool concrete walkway, street lighting and updated community signage.

Total Reserve funding is increasing \$20K from \$57.4K to \$77.4K which is a 35% increase. The increase in reserve funding was determined solely from the updated replacement costs of future reserve projects. Your board has made strategic decisions on the timing of those expenditures to provide for the funds when needed.

Very truly yours,

Patricia Emerson
Baycrest Treasurer