

Bridgewood Residents,

Please be advised that the Bridgewood HOA Board of Directors approved the annual assessment increase to \$400 for the 2023 year. Many factors were considered in this decision:

- The recommendation from the Association's Reserve Study
- The need for repairs on the Association's common elements
- The increase in prices due to inflation

The decision to raise the annual assessment amount was not taken lightly and is only being made in the Association's best interest to preserve and maintain the common elements. The Board of Directors also consulted with an attorney before implementing the increase. Below is the statement from the HOA Attorney:

"The authority of the Board of Directors to raise assessments is addressed in Article 19(b) of the Declaration. That section provides that the initial annual assessment, levied in 2000, would be no more than \$350. It further provides for increases in subsequent years of the higher of the amounts of (1) the cost of inflation, as measured by the Consumer Price Index increase in the interim, or (2) by 5% per year, whichever is greater. By our calculations the maximum annual assessment for 2023 would be at least \$615.42 per lot per year using the Consumer Price Index calculation method. However, using a fixed interest rate of increase of 5% per year from 2000 to the present results in allowable annual assessment for 2023 of \$1,074.86 per lot per year. The Board has the option to set the actual assessment at \$400, well below the maximum. While the Board could set the assessments quite a bit higher, we recognize the need to be good financial stewards and to not impose excessive living expenses on subdivision residents. This conclusion has been confirmed through the advice of the Association's legal counsel."