

December 12, 2022

Villas at Sagewicke Homeowners,

Seasons Greetings to All! We hope that you and your families have a joyous and safe Holiday Season!

2022 is quickly ending and your Board of Directors along with Penn Equity have been very busy. Everyone is aware and feeling the effects of record inflation. From the gas pump, to the food store, to purchasing Christmas gifts, the effects of inflation cannot be avoided. Because of this, the Villas at Sagewicke BOD, with assistance from Penn Equity, conducted an expense audit which included reviewing 100% of our yearly expenses.

Our review has been completed and we are prepared to share changes that will occur in 2023. When we set out on this cost audit our goal was to maintain our current monthly HOA fee while providing the highest level of HOA services for our homeowners. If you see Cynda, Jeff, or Mike from Penn Equity please take time to thank them. They all dedicated extra time and effort this year due to the inflation circumstances that were already mentioned.

- **Mulching/Tan barking** – This was a topic of concern during our 2022 membership meeting this past summer. We have good news! We will be changing to a higher quality triple-shredded product in 2023. We also lowered our cost with this change. Also, we will evaluate the tanbark in August of 2023 to determine if tan barking every year is necessary. Thank you to Marian Bassler and Sue Boyne for researching tan bark options last summer.
- **Weeding**-This was another topic of concern this past summer. Many of our homeowners were confident that the weeding was not taking place in the homeowner's beds. The consensus was that the weeding service was not good. As part of our "scale back" plan for 2023, the HOA will provide weeding in the common areas only. Homeowner's will be responsible for the weeds in their beds surrounding their property. Homeowners have the option of contracting Cody's Landscaping or other landscaping companies for weeding services. We will see how this goes in 2023 and we will review this decision during our 2023 homeowner's meeting.
- **Pest Treatment of Foundation Plants** – In 2023 we will be moving this service to Good's Tree & Lawn Service. There is a cost savings associated with this change and we are expecting equal to or better results.
- **Tree Spraying (Lantern Flies & Trellis Rust)** – We will continue this service in 2023. We worked with Good's Tree & Lawn, and we decided on a less costly application process that will provide the protection that we need for our trees.
- **Penn Equity Association** – Mike Blouch agreed to holding our 2022 management fee in 2023. This will be a cost savings for our HOA.
- **Postage & Administration** – We plan on reducing our cost by approximately 50%. We will conduct a minimal number of essential mailings; however, we plan on utilizing email and our website for more communication in 2023.

Good News...In 2023 our monthly HOA fee will remain at **\$142.00 per/month**, and we are able to present our homeowners with a 2023 balanced budget. Without making the changes noted above the BOD would have needed to raise our monthly HOA fees for 2023.

We appreciate and recognize the responsibility of serving as your BOD. If you have any questions or concerns, you are welcome to contact any of the BOD members.

Respectfully submitted,

Cynda, Jeff, & Rob

Cc: Mike Blouch, Penn Equity Assoc.