

Bridgewater

**A Del Webb Community
2021 Budget Presentation**

Key Terms

The Master: All residents are a part of the Master Association which encompasses the entire community.

Sub Association: Smaller association within Bridgewater includes, Sites, Parks and Townes. The Townes includes two smaller subdivisions; Villas and Manors.

Committees: Groups comprised of volunteer homeowners; some include Finance, Lifestyle, Grounds and Landscape, Community Concerns and Alterations.

Boards: Groups comprised of elected volunteer homeowners to make decisions for overall sub-association.

Master Board: Board with final say on all decisions, currently comprised by homeowner's in 2020. Prior years were represented by Pulte.

AAM: Management company hired to oversee all aspects of community.

Reserve Fund: Itemized fund that is utilized for maintenance and replacement of items throughout community over and above operations.

Reserve Contribution: Amount of assessment set aside for maintenance and replacement of items throughout community.

Bridgewater Budget Process



2020 Forecast and 2021 Budget Proposal prepared by Finance Committee. Finance Committee's goal is to provide a quality lifestyle and maintain affordability for homeowners.



Proposed Budget reviewed by AAM and the Neighborhood Boards.



2021 Budget presented to Master Board by AAM for review and approval.

Bridgewater Financial Results

2021 Budget Proposal (\$)

	2019 Actual	2020 Actual Forecast	2021 Budget
Bridgewater HOA Fees	2,080,271	2,209,680	2,291,520
Other Income (Less Social)	16,673	2,676	5,900
Transfer HOA Fees to Reserve	-31,440	-128,000	-115,200
Total Income	2,065,504	2,084,356	2,182,220
Total Landscaping	888,492	807,627	787,830
Total Water / Irrigation	439,908	504,847	538,745
Total Snow	225,481	194,803	251,000
Payroll	291,435	309,491	335,000
Total Building and Amenities	136,142	140,579	131,920
All Other Costs	137,805	127,009	137,725
Total Expenses	2,119,263	2,084,356	2,182,220
Operating Surplus / Defiicit (-)	-53,759	0	0

Bridgewater Financial Results 2021 Budget Proposal Comments

2019 Comments

- Lower water costs reflects a 1 month delay in irrigation startup due to a wet Spring.
- Excessive rain during June also resulted in higher soil and seed costs to repair lawns.

2020 Comments

- Savings in Snow Costs (lower events - 4 vs 8 budgeted) expected to result in a savings of \$75K. A portion of this savings (\$50K), if available, to be transferred to the Master reserve to help cover a tree replacement program in 2021.
- Irrigation startup late in mid June due to Covid expected to result in some savings in 2020.

2021 Budget Comments:

Landscaping

- Tree Service includes \$21K for tree spraying. Some tree replacement costs in 2021 Budget.

Water/Irrigation

- Water costs reflect a full season usage in 2021.

Snow

- Snow reflects 7 snow events in 2021. This reflects a reduction from 8 budgeted in 2020 and an increase from 4 actual forecasted for 2020.

Bridgewater Financial Results

2021 Budget Proposal

Major Cost Items (\$)

Full Year Expense	2020 Fcst. Actual	2021 Budget	HOA Fee \$ / Month
Landscaping			
- Landscape Contract	\$ 636,312	\$ 646,800	\$ 87
- Tree Service / Replacement	\$ 53,859	\$ 43,500	\$ 6
- Seed / Mulch	\$ 66,800	\$ 64,000	\$ 9
- Common Area Maintenance	\$ 31,457	\$ 13,730	\$ 2
- Lake Maintenance / Fountain Contract	\$ 17,000	\$ 15,600	\$ 2
- Other Landscape	\$ 2,199	\$ 4,200	\$ 1
Total Landscaping	\$ 807,627	\$ 787,830	\$ 106
Irrigation			
- Water	\$ 361,768	\$ 387,500	\$ 52
- Irrigation Contract	\$ 99,214	\$ 111,645	\$ 15
- Irrigation Repairs / Parts	\$ 33,000	\$ 31,000	\$ 4
- Backflow Inspection	\$ 10,865	\$ 8,600	\$ 1
Total Water / Irrigation	\$ 504,847	\$ 538,745	\$ 72
Snow			
- Snow Events incl Salting	\$ 88,888	\$ 145,085	
- Equipment Retainage	\$ 105,915	\$ 105,915	
Total Snow	\$ 194,803	\$ 251,000	\$ 34
Major Contracts	\$ 1,507,277	\$ 1,577,575	\$ 212

Bridgewater Financial Results

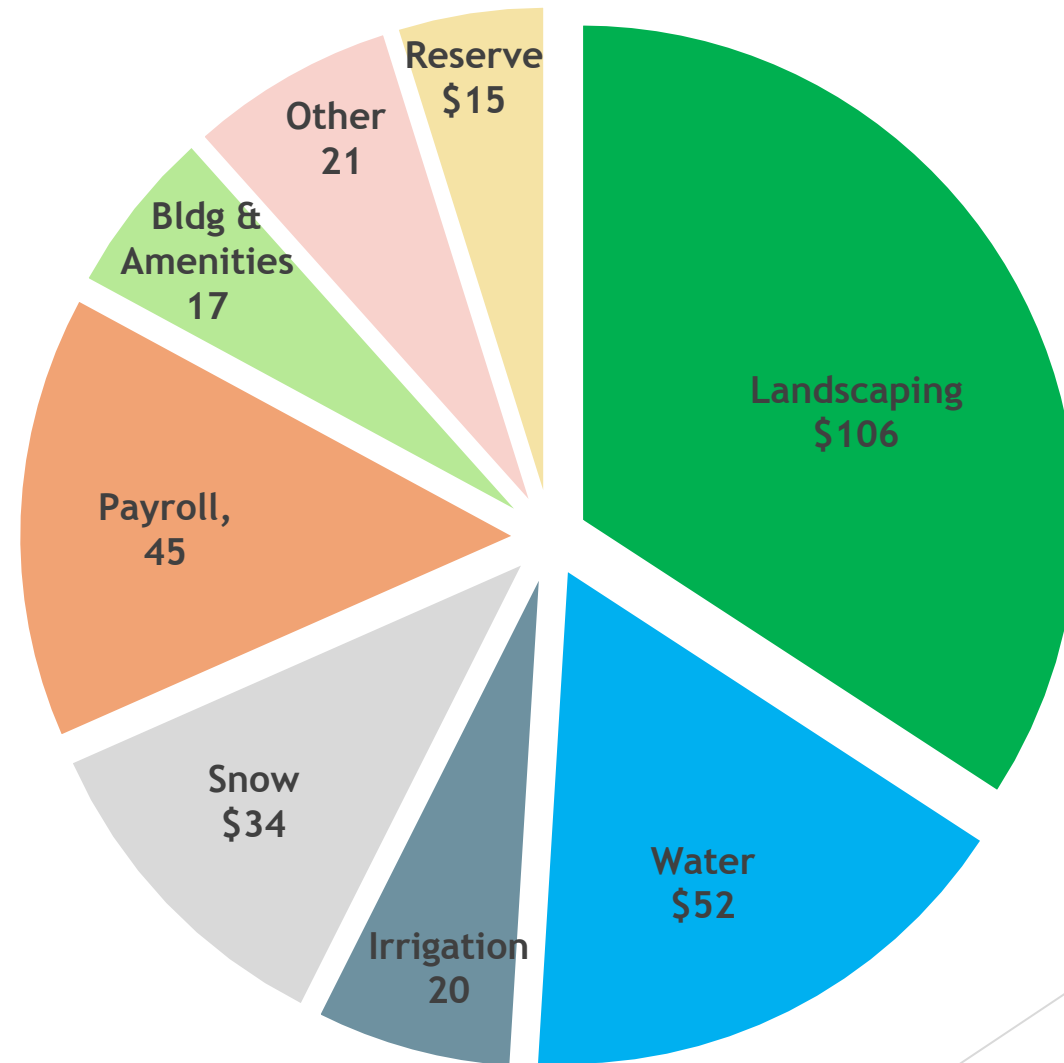
2021 Budget Proposal

Major Cost Items (\$)

Full Year Expense	2020 Fcst. Actual	2021 Budget	HOA Fee \$ / Month
Personnel & Support Staff	\$ 309,491	\$ 335,000	\$ 45
- 9 Employees			
- Employee Benefits Included			
AAM Management Contract	\$ 18,540	\$ 19,200	\$ 3
Total AAM Contract & On-Site Support Staff	\$ 328,031	\$ 354,200	\$ 48
Building and Amenities			
- Electricity - Rec Center	57,461	59,000	8
- Gas	8,196	10,000	1
- Rec Center Repairs & Maintenance	35,155	21,120	3
- Pool/Spa Repairs and Maintenance	9,855	13,000	2
- HVAC Repairs & Supplies	9,609	3,600	0
- Janitorial Contract	20,304	25,200	3
Total Building and Amenities	140,580	131,920	18

2021 Bridgewater HOA Fees \$310 Per Month

Landscaping, Irrigation/
Water and Snow are
\$212 or 68% of the total
HOA Assessment.



Reserve Levels (\$K)

	Master	Villas
Actual Balance 12/31/19:	\$1,189	\$244
Reserve Funding:	102%	96%
 Projected Balance 12/31/20:	 \$1,621	 \$280
Reserve Funding:	118%	98%
 Projected Balance 12/31/21:	 \$1,217	 \$306
Reserve Funding:	91%	96%

Reserve Funding percentages based on the **2019 Reserve Study**.

Plan is to bring Master Reserve to 100% funded over next 8-10 years.

Major Expenditures: 2019: Hot Water Heater (\$23); Asphalt (\$13); Exercise Equip (\$9)
 2020: Roof (\$146)
 (Not Yet Approved) 2021: Freedom Park (\$129); Pool Work (\$145); Asphalt (\$99);
 Pool Furniture (\$46); Pond Aerators (\$27)

Major Bridgewater Activities

2020 Completed

Lodge Roof Replaced

2021 Proposed

Freedom Park - Evaluating Options to Improve Outdoor Amenities

**Tree Replacement Program - Spring 2021 Site-Wide Tree Audit
- \$50K Reserve Established**

Pool - Tile & Heater

Spa - Heater

Asphalt - Road Sealing & Crackfill Sitewide

Pool & Patio Furniture

Historical Monthly HOA Fees Detached Condominiums

Years	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Monthly Fees	\$194	\$209	\$229	\$254	\$255	\$255	\$280	\$290	\$300	\$310
\$\$ Change	\$10	\$15	\$20	\$25	\$ 1	\$ 0	\$25	\$10	\$10	\$10
% of Change	5.4%	7.7%	9.6%	10.9%	0.0%	0.0%	9.8%	9.8%	3.6%	3.3%

*The Villas HOA Fee is \$100.00 higher per month.