In preparing and balancing the 2025 budget and reviewing regular expenses, the Board has identified that an increase in our association's monthly dues will be necessary. Our three largest contracts—Property Management Services, Front Range Recreation, and Waste Management—account for approximately 60% of our budget. These contracts have significant labor costs, with Waste Management also bearing substantial equipment and fuel expenses, which tend to rise annually.

Just as your personal expenses for food, utilities, and gas increase every year, the HOA faces similar cost pressures. For every $17,000 increase in annual expenses, there is a corresponding $1 increase in monthly assessments. There are built-in annual increases in the three major contracts that alone approximate $17,000. Since monthly assessments are our primary source of operating income, we have no alternative means to cover these rising costs. Additionally, we must continue to monitor and fund the replacement costs of HOA assets, also known as Reserve Planning. The value and replacement costs of these assets, such as pool equipment, Clubhouse structures, the HOA-owned playground, just to name a few, also increase over time, necessitating higher monthly transfers to our Reserve accounts.

To address these financial needs, the HOA Board anticipates annual assessment increases to keep pace. Thanks to the efforts of those involved in the underdrain litigation and the stewardship of previous Boards, the HOA is in excellent financial health, eliminating the need for a special assessment to address these rising costs or mailbox maintenance. The current Board is committed to maintaining this strong financial position by aligning expenses with appropriate assessment increases. We are proud to offer an elevated level of services and amenities at a relatively low monthly assessment, especially compared to other HOAs in our region. Given the impressive collection of assets the HOA maintains, our monthly assessments will nonetheless remain comparatively low.