

# T H E   W E L L I N G T O N N E I G H B O R H O O D



## B R E C K E N R I D G E   ♦   C O L O R A D O

October 24, 2014

Hello Wellington Neighbors,

The Board of Directors is pleased to present the HOA 2015 budget for ratification; we are happy to inform you we will not be raising HOA dues this year despite the significant challenges we have to consider in the coming year.

A new State law will take effect on July 1, 2015, requiring all managers and administrators of Homeowner Associations to be state certified through the Colorado Department of Regulatory Agency (DORA). This is going to impact us in the future but in 2015 we have decided to limit some services and contributions to the reserve fund versus raising the HOA dues.

For the past almost 10 years, Jennifer McAtamney has performed the duties of our HOA Administrator for a very low \$2,500 per month to oversee and manage the 200 homes currently built. This is an extremely kind gesture by Jennifer to complete all that is required throughout the year and believe it or not it has not always been a pleasant job. Typically, the management cost for a 200 home community would range from \$75,000 dollars to well over \$100,000 dollars.

With the current dues structure, we will be able to maintain our community at last year's standards less a few service reductions; 1) No more snow shoveling of walkways that serve homes from the road 2) We will limit our landscaping effort this summer and limit our reserve contribution to less than \$5,000 dollars.

In addition to the service reductions, we have reached out to our service providers and negotiated 3 year contracts to lock-in known pricing through 2017. The snow removal and landscaping expenses make up over a third of the HOA budget. With these expenses known, our next biggest challenge is the HOA Management expense; we are working on solutions to get us through 2015.

In reviewing the budget, you will see we are keeping the landscaping at the 2013 level and feel good that we were able to recertify the back flow preventers this year and still come in under budget. The Administrative and Miscellaneous expense have remained stable. The Great 2013/2014 snow year increased our snow removal expense by close to \$10,000 over budget. Even with that significant increase, we finished the 2013 year under budget by approximately \$8000.00 As you know our surplus amount is what we contribute to the reserve fund. With that approximate \$8k contribution; our Reserve fund is at \$47,000 dollars for 2014 before our fence painting project.

As the BOD we have to look at the big picture of funding the HOA and yes we are losing some services but we do think this budget is realistic and can be obtained. Going forward into the next 2-5 year scenario, we most likely will need to raise the HOA dues to maintain the Wellington Neighborhood at the current service level, obtain adequate HOA Management and contribute to the HOA Reserve account for the future.

Please review the attached budget and attend the upcoming Annual Meeting in November 12<sup>th</sup> at 6:30 at the Breckenridge Recreation Center. If you cannot attend feel free to send us your comments to [Treasurer@wellingtonneighborhood.org](mailto:Treasurer@wellingtonneighborhood.org).

Regards,

*Wellington Neighborhood Board of Directors*

Tom Bailey – President  
Emily Ludke – Vice President  
Ron Schuman - Treasurer

Courtney Kenady - Secretary  
David O’Neil – Member at Large