



Dear Resident,

November 29, 2017

During the Castle Pines Homes Association Board Meeting held on Friday, November 17th, we approved the 2018 CPHA budget, which includes an increase in Association assessments. Effective January 1, 2018, assessments for custom homes will increase from \$255 to \$275 per month and for alternative homes from \$191.25 to \$206.25 per month.

This is the first assessment increase since 2014, and is in line with our 5-Year Financial Plan. A look back at assessments since 2004 reflects an increase of \$37 a month over that 13 year span, which has not kept pace with inflation. This has been possible through the combined efforts of the Long Range Planning and Finance Committee and the Board of Directors to effectively control Village operations and expenditures. Since the last assessment increase in 2014 we have committed over \$1.9M in new infrastructure designed to improve the Village and add value to the community:

- Improved landscaping and enhanced annual flowers at Village entrances
- Completed the Village trail system including the paving of the trail along Castle Pines Drive North
- Constructed a fifth tennis court
- Constructed the Canyon Club Pavilion
- Installed the perimeter fence along the new North Meadows Extension
- Constructed the Gate 2 Gate House
- Completed the renovation of the Gate 3 Gate House
- Improved the access control and security systems at Village entrances

The 2018 budget reflects a continuing commitment to provide a high level of service to Village residents and to maintain our infrastructure. Over the years, additional funding from continued Village growth has helped us build our infrastructure. Over the next several years with the Village nearing build-out the additional income we have received from newly platted undeveloped lots will come to an end. In addition, while the amount of uncollected Homes Association assessments is manageable, it still poses a cash flow challenge. We continually monitor these accounts and the Association takes all action available and necessary to collect these past due amounts.

Castle Pines Village is a highly desirable community and we are dedicated to protecting the investment each of us have made in our homes. Each year we approve within the budget a "Reserve Expense" that is reviewed for accuracy by outside experts. This reserve provides for the timely replacement of our assets, including security and recreational facilities and equipment. The 2018 budget continues this funding of future needs to protect and maintain Village assets.

In summary, the financial health of the Homes Association is strong with a well-funded reserve balance and solid cash flow. The Long Range Planning and Finance Committee, the Board of Directors, and our dedicated staff continue to work to effectively manage expenses while continuing to provide first class services.

On Behalf of the Board of Directors

Sincerely,

Terry O'Connor, President