



Fall 2022

Dear Homeowners,

As we bring 2022 to a close, we would like to report that Pine Creek Village Association (PCVA) finances remain in a good state overall. This year has brought many challenges, from rising inflation to our landscaping contractor abruptly stopping service. These challenges caused some unexpected costs. However, due to a few items in our favor, like limited snow in the spring, we've been able to manage our budget smartly while accomplishing quite a bit.

The PCVA HOA Board, through its fiduciary responsibilities, has been diligently preparing the budget for 2023. At the Annual Meeting (November 15, at Challenger Middle School), we will vote on the 2023 budget. We encourage all homeowners to vote either directly or through your neighborhood proxy.

Every year the budget covers the following expenses: contracts for Community Management, landscaping, tree maintenance, trash and recycling services, utilities (electricity, water and storm water), and stucco wall/metal fence painting and repair. We also are responsible for insurance, audit and tax preparation, administrative expenses and postage, sprinkler repairs, snow removal, pest control, a reserve study, social activities, and more.

For 2023, the Board is recommending an assessment increase to \$99/home per month, from \$88/home in 2022. A big driver for this is inflation. Almost all our contracts are increasing in price at a steeper rate than in the past. Labor and material increases are affecting everyone, including PCVA. We also continue to see aging items like lighting and sprinklers failing, and our trees are getting so big that they need constant care, trimming, and even replacement. We also would like to enable our Community Manager to employ the appropriate level of dedicated support to assist with all the activities occurring within Pine Creek. We are struggling to keep up with our five special neighborhoods, the new State of Colorado HOA laws, supervising numerous contracts, and the needs of 1,424 PCVA properties.

With respect to the new Colorado HOA laws that went into effect in August, we did not anticipate that we would have new, unavoidable expenses imposed on us to remain legally compliant with respect to daily operations, such as with violation and assessment collections. This is proving to be an impact our operating current budget. These new expenses must be incorporated into our annual budget for 2023 and beyond.

Lastly, we conducted a new PCVA Reserve Study in August that recommended we increase our Reserve contribution. Our Reserves are currently funded at 64.2%, which is classified as a Medium Risk. We need to do better. The Board proposes increasing our contribution by \$20,000/year. With this additional contribution, we will be considered "fully funding" our Reserve contributions and move PCVA into the Low Risk category. The Board believes this move to be prudent in order to take care of our aging community

The Board recognizes that any assessment increase can be difficult, but the PCVA HOA Board is doing everything within our fiduciary responsibilities to keep expenses as low as possible.

We encourage all Owners to visit www.pcva.org to get more details on our 2022 spending and more details explaining the recommended assessment increase for next year. We look forward to seeing you at our annual member and budget ratification meeting on November 15.

Respectfully,

The PCVA HOA Board;
Sharyn McWhorter, President
Julian Bucknall, Vice President
Lisa Bomberg, Treasurer
Jeffrey Anderson, Secretary
Jim Bishop, Member-at-Large