

## Letter from the President November 2011

Dear Southpark No. 2 Homeowner,

2011 has been a relatively stable one for our Association. We have had the usual concerns about the budget as many of our contractors and suppliers react to economic conditions by raising their prices. We are completing the first year with our new irrigations system to save money. We completed all of our planned projects including major renovations in the clubhouse locker rooms and some major asphalt work on the driveways. Financially, it was an expensive year. Mostly recently, the children's play area in the bowl did not unfortunately live up to its life expectancy and we have had to remove it for safety. We will be replacing it over the winter months so that a new area will be available to children in the spring. Fortunately, because we maintain a healthy reserve fund (as recommended by our Reserve Engineering Study) and because the board wisely postponed some projects originally planned for this year, we were able to absorb these additional costs without looking to the homeowners for special assessments. I am pleased to report to you all that we are still a financially healthy association and will continue to work to maintain that fiscal health.

To that end, the Finance Committee and the Board worked very hard in developing our 2012 budget and in deciding whether and how much to increase our monthly dues. Due to high and rising fuel costs, most of our contractors (e.g., landscaping, security patrol, garbage removal, pool management) will be increasing fees this year. We are also in the final year of our contract with Waste Management. Their monthly fuel surcharge is outrageous and we hope to negotiate a better contract with someone else going forward. Because we must cover these additional costs and do not wish a dues increase to become a burden to homeowners at a time when they are also experiencing rising costs we really tightened the budget for 2012. Despite the importance of community activities, we are going to eliminate the holiday party in 2012 (there will be a party in 2011 because it is already budgeted). This was an easy category to eliminate and quickly save some money. Hopefully we can reconsider the holiday party when economic times improve. We also reduced our security patrol contract to operate primarily during the summer months when the pool is open. Wherever we could we reduced expenses (sometimes in small amounts). In addition, we have recently changed our investment company and find that the new company has been able to get some improved returns for us on our reserve investments. As we do through every year, Dale and the board will continue to look for ways to save money on some of the capital improvements planned. In addition, who knows, maybe we won't exceed this year's snow remove budget. **Long story short, we anticipate an increase in the monthly assessment of \$3.00, making your monthly bill \$111.00 starting January, 2012. The payment coupons you will be receiving from Colorado Management will reflect this planned increase and I urge you all to pay attention to the increase in submitting your January dues so that we can avoid all of the expense and hassle of reminders to homeowners, late fees, etc.**

During my 18 years as a Southpark No. 2 resident, our homeowners association has done a great job of fiscal management and we have enjoyed very low monthly dues with only small dollar increases. In fact, 20 years ago, the monthly assessments were \$50 and today they are \$108 (that's roughly \$2.90 per year). We have accomplished this while still providing outstanding services and amenities like a complete tree trimming program; new tennis courts; a new pool plaster, deck, and heater; and regular upgrades to our sidewalks, driveways, landscaping, and, most recently, a new computerized irrigation system. The board will continue to do its best to conservatively manage our operating budget and our reserve investments to get the best "bang for our buck." I hope that you will join the core of dedicated volunteers who work so hard in managing our community by volunteering for events and/or board committees. **We always need volunteers to keep our community strong.** Please let Dale Lavene or one of the Board Members know if you are willing to work with us, be it a single event like our Holiday Party, Pool Passes, the Garage Sale or the National Night Out Party, or serving on the Finance or Architectural Control Committees. **Our community is only as good as we all work to make it.**

All of my best wishes for you and our community in 2012,  
Linda Lancaster  
Board President