



# The Shoreline



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Hi neighbors!

As most of you are aware, the Board met in March to discuss and approve the budget for the new fiscal year. In that meeting we discussed several options and approved a budget that included a **\$10/month assessment increase**. Decisions that have a direct impact on homeowners are some of the most difficult discussions the Board has - it's never easy, but we try to approach it with an objective mind and caring heart. Here's some insight into how we made our decision:

## Options considered:

- **No assessment increase:** Given the increase in service costs, the association could not cover costs and meet our reserve needs by maintaining the current assessment rate. In order to continue forward with no increase, the board would need to consider cutting services the association currently offers and/or reduce the amount of funds allocated to our reserve account, neither of which we were willing to do. To move forward without an increase would have placed the association in a financially precarious state; this was simply not an option.
- **\$5 assessment increase:** This option was the lowest increase we considered. This option would allow us to maintain current services and continue operating as we do today. The association would have a minimal \$1,000 cushion to accommodate budget overages and "extras" that occurred throughout the year. While this was the most attractive option from the pocketbook perspective, this also represented the bare minimum needed to operate and left very little wiggle room for error.
- **\$10 assessment increase:** We found this option to best balance the needs of the association while maintaining a moderate impact to the homeowner. This option maintains current services and reserve allocations, but provides the Association a bit more flexibility with a \$12,500 cushion which would serve as both a "safety net" and pool from which we can pull funds for community improvement projects/purchases as the fiscal year progresses.
- **\$15 and \$20 assessment increases:** The Board also considered both \$15 and \$20 increases, but were hesitant to move forward in that direction. While it is true that with more funds we can invest more into the community, the Board is mindful of the current state of the world and with so much uncertainty still lingering, we want to be considerate and minimize the direct impact on each individual's monthly expenses.

## Where's the money going??

This is a really understandable question to ask, as much of the Association's expenses are invisible. Over the course of the last two years the Board reviewed contracts with each of our major vendors. We've welcomed new vendors to address the Association's waterways, landscaping, maintenance, and pest control. We continue to explore cost efficiencies while striving to maintain the beauty of the community we call home. The chart to the right provides a few highlights of how our monthly assessment gets spent throughout the year. You can find the detailed figures in the budget mailer homeowners receive each year.

We hope that the information in this note, coupled with the level of transparency provided, effectively communicates the reasoning behind the Board's decision. As always, the Board welcomes your feedback, input and ideas on how we can ensure Lakewood Shores is a great place to call home (after all, we live here too). Feel free to join a Board meeting, even if it's just to say hello.

Best,  
The Lakewood Shores HOA Board

Overview	
Description	%
Reserve (Savings) Account	23%
Operating Account	77%
Total	100%
Operating Account Drill-Down	
Description	%
Utilities Water & Sewer	18%
Landscaping	13%
Utilities Electric	13%
Repair and Maintenance	10%
Insurance Expense	8%
Professional Management	6%
Lakes/Streams Maintenance	6%
Utilities Refuse Removal	5%
Tree Trimming Or Removal	4%
Roof Repairs	4%
Office And Postage	2%
Pest Control	2%
Pools Maintenance	2%
Custodial - Common Area	2%
Utilities - Gas	2%
Contingency	2%
General Operating Fees	2%
Parking Patrol	1%
Total	100%