

EAGLES NEST PROPERTY HOMEOWNERS ASSOCIATION
2021 Budget Narrative

The Eagles Nest Property Homeowners (ENPHA) Board of Directors approved the 2021 ENPHA and Design Review Committee (DRC) budgets at their monthly meeting on December 10, 2020.

ENPHA

The ENPHA budget provides for the general operations of the association including common property maintenance and general and administrative expenses.

Budgeted revenue totals \$194K including \$161K in annual dues assessments, \$18K rental for the Verizon cell tower site and \$15K noxious weed spraying fees. \$24K of the annual assessment revenue is designated for capital and deferred maintenance reserves. Dues remain at \$200 per property with no increase since 2015.

Budgeted operating expenses for 2021 total \$191K as summarized below:

	<u>2020 Actual</u>	<u>2021 Budget</u>
Entrances	\$32,097	\$40,723
Open Space and Environmental	48,391	44,550
Community Center Building and Grounds	19,313	22,151
Total Property Expenses	99,801	107,424
Legal	8,632	20,000
Compliance	12,000	12,360
Insurance	11,618	11,806
All Other General and Administrative Expenses	42,352	39,625
Total General and Administrative Expenses	74,602	83,791
TOTAL OPERATING EXPENSES	\$174,403	\$191,215

Property Expenses

In addition to annual maintenance of our common property, the 2021 property expense budget includes \$10K for fire mitigation near the “red fence” at the top of Middle Park, \$2.5K for pavilion stain, and \$2K for roof repairs at the community center if needed. These three non-recurring projects are funded from our capital reserves.

Actual spending on the entrances in 2020 reflects savings in maintenance and holiday decorations that are not expected to recur in 2021 and account for the majority of the increase in the 2021 entrances budget.

Similarly, the community center building and grounds actual expense for 2020 reflects savings from the 9-month COVID closure with the 2021 budget based on an assumption we will be able to open the center in June.

General and Administrative Expenses

The legal budget includes a \$10K placeholder to update the association by-laws, accounting for the increase in that line item.

The reduction in all other general and administrative expenses is due to a \$5.9K reduction of annual meeting costs offset by \$1.6 increase in other event events and meetings assuming COVID restrictions will be lifted in June and by inflationary increases in other accounts. The higher annual meeting costs in 2020 were a result of rescheduling due to COVID and having to send out meeting packets twice.

Capital Budget

The ENPHA capital budget is funded from reserves and includes \$5K for a security system at the community center and \$4K to complete the water vault project at the South Golden Eagle entrance as required by the Town of Silverthorne.

Reserve Fund

The Reserve Fund is projected to be \$276K at the end of 2021 including \$149K capital and deferred maintenance reserves; \$76K legal; \$36K operating contingency; \$12K insurance deductible; and \$3K noxious weed program.

Design Review Committee

The DRC budget is based on thirteen new homes and eight modifications completing the process with design review fees generating \$53K. DRC budgeted costs total \$54K with the small deficit funded from operating reserves. Reserves at the end of 2021 are projected at \$45K.