

## 2020 FINANCIAL OVERVIEW

The 2021 budget represents an increase over 2020. This increase reflects the Board's response to the homeowner's interest in preserving a well-maintained, quality neighborhood and protecting the area's property values. The primary objectives are:

- Improve landscaping services in response to feedback from the community.
- Increase the HOA's reserves in order to plan for the necessary long-term capital expenditures for the HOA's aging infrastructure.
- Secure the necessary administrative support to meet the needs and expectations of the community.

### 2020 Budget Financial Summary

#### Administration / Operations all Filings / Irrigation

The budget for 2021 is \$83,987.00. This is a \$22,954.00 increase over the 2020 budget which was \$61,033.00. The largest contributing factors for the increase are:

- The Bookcliff Gardens contract. The new Bookcliff 2021 / 2022 contract is \$32,719.00 (the prior contract, which is expiring, was \$18,800.00). Bookcliff had not increased their pricing for three years, labor costs increases and changes to the contracted services, requested to accomplish the HOA's landscaping and irrigation objectives, are reflected in this increase. This contract reflects the additional scope of services, and the increase in labor costs. The Board believes these increases are valid and in line with bid proposals received in 2019 from Peaceful Valley, W.D Yards and Thompson Landscaping.

*\* It should be noted that approximately \$7,000.00 or 21% contracted services will not be a net increase to the budget's overall bottom line. Landscape Operations Time and Material funds used to perform the same services was moved to Landscape Contract reducing the Time and Material by \$7,000.00. Also, making this adjustment will ensure landscape work will be done on a set schedule and the HOA will not have to compete for resources during peak season months.*

- The need to increase the HOA reserves. Several projects required to maintain HOA infrastructure necessitate this increase. This includes the financing of future improvements such as; building a pump house to raise the pump from the sump pit and the replacement of fencing. This assessment for 2021 will increase the reserve account by \$10,000.00 in this fiscal year, which would bring the beginning reserves balance to \$36,545.12. If you would like more detail on the items funded from the reserve account in 2020 please contact the Board.
- The need to contract for additional services from Fusion Management. These services include bookkeeping and Bookcliff Gardens contract management. The contract for Fusion Management Company services increased 32%, from \$9,900.00 to \$14,400.00. Due to the above mentioned additional duties.

## The HOA Key Goals for 2021

- Maintain and refresh HOA maintained landscaping including, twice-yearly pruning and cleanup and refreshing of the entrances to South Broadway and High Tiara. Development of a long-term plan for the pond area and landscape plans for HOA Common areas. The adoption of a specific community landscape policy.
- Infrastructure improvements including, the maintenance and reliability of the irrigation systems and physical structures, increased irrigation checks and maintaining the timeliness of response to irrigation outages. Increase reserves for needed capital projects (e.g., a pump house and fence repair, painting and replacement).
- Renewed oversight and compliance with The Season's CCRs, Policies and Procedures. Objectives include twice-monthly neighborhood walk-throughs and reporting. Timely responses and follow-up with member issues. The development of a fine schedule with a defined timetable for action.
- Improve the sustainability of the Board and its Committees. Objectives include, recruiting two new board members and an additional DRC committee member. Writing "quick start" guides for new board members and streamlining board tasks.

## RESERVES

2020 beginning balance was \$27,853.15.

- 2019 budget surplus of \$5,307.00 was transferred in 2020 to Reserves.

Adding the surplus transfer brought the 2020 total to \$33,160.15.

The following 2020 items were funded from Reserve accounts:

- \$4,256.33 for the purchase of a 10 horse-power pump for the large irrigation system.
- \$600.00 from Filing 4 Courtyard Landscape for additional irrigation maintenance work. (*Filing 4 Courtyard Reserve fund was established in 2017. There was a special assessment for the 18 Courtyard homeowners creating a reserve fund to pay for additional expenditures not covered by general annual assessments.*)
- \$572.00, from Landscape Improvement for repairs to the lighting at the entrance of High Tiara.
- \$1,000.00 from Legal Fund for legal services.
- \$962.00 and \$92.00 from Pump Replacement Large System for intake pump replacement.
- \$1,356.70 from Landscape Improvement for general maintenance clearing overgrowth around retention pond.
- 2020 Surplus of \$2,224.00 from Irrigation Repair & Maintenance Contract.

Ending 2020 Reserve balance estimate: \$26,545.12

2021 Reserve Assessments of \$10,000.00 beginning balance: \$36,545.12