

The Estates at Cienega Creek Preserve Homeowner's Association

2024 Approved Operating Budget

Enclosed please find the 2024 Operating Budget, which was approved by the Board of Directors on January 23, 2024

There is no assessment increase for 2024

Details of your assessments payments and due dates are shown below.

Quarterly Assessment Statement: Your 2024 quarterly assessment is \$90.00. This assessment is due on January 1, 2024, April 1, 2024, July 1, 2024 and October 1, 2024. Unpaid assessments will result in a late fee of \$15.00 being added after 60 days of the due date. The \$15.00 will be added after February 29, 2024, May 30, 2024, August 29, 2024 and November 30, 2024. Additionally, unpaid amounts are subject to interest charges at the rate of 10% per annum if assessment is unpaid after the 1st month in which the quarterly payment is due.

Senate Bill 1531 has amended ARS 33-1256 and ARS 33-1807 relating to condominiums and planned communities. Effective January 1, 2020, the law requires that statements of account shall be provided to all homeowners on at least the same schedule as assessments are due (i.e. monthly, quarterly, semi-annually, etc.). Statements must show the current amount due **as well as the immediately preceding ledger history** to aid owners in understanding their assessment and fee history. This applies regardless of whether the member is in good standing, delinquent or in credit, and will be a required procedure affecting your association in terms of time incurred and/or cost.

If you have setup automatic payments through your personal bank for your assessment, please contact your banking institution to verify the dollar amount of the assessment. **Please note that any changes need to be initiated by the owner, Cadden does not have the authority to do this for you.** If you have automatic payments through Alliance Association Bank for your assessments, please verify/update your payment amount.

If you have any questions regarding the budget or any Association issues, please do not hesitate to contact me at 520-297-0797 or you may also email me at aenos@cadden.com.

For the Association,

Alexis Enos

Alexis Enos
Community Association Manager
Cadden Community Management

Attachments: 2024 Assumptions, 2024 Approved Budget, and 12 column spreadsheet

Homeowners Association

2024 Assumptions

INCOME

- **Residential Income** – based on 67 homeowners paying a quarterly of \$90.00.
- **Interest/Other Income** – interest from Certificates of Deposit.

EXPENSES

- **Property Taxes** – are based on an estimate of taxes due.
- **ACC Report** – The Arizona Corporation Commission (ACC) report must be filed annually at a cost of \$10.00 to renew the Association's non-profit corporation status.
- **Income Taxes** – Non-profit organizations pay a minimum tax of \$50.00 to the state. The majority of the income for the Association is considered Exempt Function Income and is not taxable. This would include member assessments, interest and late fees charged on delinquent assessments, and transfer fees. Income, which would be taxable to the Association, would be investment income (interest) on both Operating and Reserve funds. The Association anticipates paying taxes on the reserve interest generated.
- **Insurance** – The Liability and D&O Insurance, were obtained from Labarre/Oksnee. A copy of the coverage may be obtained by contacting the management office.
- **General Repair and Maintenance** – Based on the small unexpected maintenance expenses.
- **Landscaping Contract** - The current contract is between the Association and Complete Landscaping. The landscaping company maintains the property on a monthly basis, along with the roadway, and in the common area islands.
- **Non-Contract Landscaping** - Based on the small unexpected maintenance expenses.
- **Accounting** - For the preparation of the Association's State and Federal tax returns as well as a review of the Association's records by a CPA.
- **Management** - Based on a contract between the Association and Cadden Community Management (CCM).
- **Management Mileage** – Based on site review mileage completed each month.

- **Postage** - Based on 2023 mailing activity.
- **Photocopying/Printing** - Based on 2023 printing activity (e.g., delinquent letters, statements, letters to homeowners, Board packages, etc.)
- **Statements** – based 67 lots receiving quarterly statements.
- **Legal Expense** - For collection expenses not yet reimbursed as well as attorney opinions requested by the Board of Directors.
- **Website Maintenance** - the amount of money needed to maintain the community website.
- **Office Supplies** - Based on 2023 office supplies purchased.
- **Miscellaneous/Meeting Expense** - Based on the rental cost for one Annual Meeting, any food and beverages associated with that meeting, and any extra meeting charges incurred.
- **Net Income** - Based on projected income of \$23,760, expenditures of \$23,883 and reserve deposits of \$247 for 2024, this budget is expected to essentially break even by year-end. Should there be excess cash available in the Operating Account at year-end, it is customary that such funds would, by Board resolution, be transferred to the Association's Reserve Account.
- **Reserve Deposit** - Though not part of the Operating Budget, contributions to the Association's Reserve Account are included in the calculation of homeowners' annual assessment. The Association's Reserve Account is set up in expectation of future expenditures.

The Estates at Cienega Creek Preserve Community Association 2024 Approved Budget

Approved: January 23, 2024

GL Code	Income													# of Homes:		Total			
		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Quarterly Assessment:	\$				
3010	Owner Assessments	\$ 5,940.00	\$ -	\$ -	\$ 5,940.00	\$ -	\$ -	\$ 5,940.00	\$ -	\$ -	\$ 5,940.00	\$ -	\$ -	\$ 5,940.00	\$ -	\$ -	67	90.00	23,760.00
3020	Late Fees & Interest	\$ 26.05	\$ 26.05	\$ 26.05	\$ 26.05	\$ 26.05	\$ 26.05	\$ 26.05	\$ 26.05	\$ 26.05	\$ 26.05	\$ 26.05	\$ 26.05	\$ 26.05	\$ 26.05	\$ 26.05			312.61
3180	Interest Earned	\$ 4.76	\$ 4.76	\$ 4.76	\$ 4.76	\$ 4.76	\$ 4.76	\$ 4.76	\$ 4.76	\$ 4.76	\$ 4.76	\$ 4.76	\$ 4.76	\$ 4.76	\$ 4.76	\$ 4.76			57.12
Total Income		\$ 5,970.81	\$ 30.81	\$ 30.81	\$ 5,970.81	\$ 30.81	\$ 30.81	\$ 5,970.81	\$ 30.81	\$ 30.81	\$ 30.81	\$ 5,970.81	\$ 30.81	\$ 30.81	\$ 30.81	\$ 30.81			24,129.73
Fixed Expenses																			
4010	Property Tax	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 24.00	\$ -	\$ -			24.00
4011	Reserve Transfers	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			-
4015	ACC Reporting	\$ -	\$ -	\$ 10.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			10.00
4020	Income Taxes State & Federal	\$ -	\$ 50.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			50.00
4030	Liability/D&O Insurance	\$ -	\$ 150.00	\$ 1,555.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			1,705.00
Operating Expenses																			
4225	Vandalism	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			-
Maintenance Expenses																			
4305	General Maintenance	\$ 8.27	\$ 8.27	\$ 8.27	\$ 8.27	\$ 8.27	\$ 8.27	\$ 8.27	\$ 8.27	\$ 8.27	\$ 8.27	\$ 8.27	\$ 8.27	\$ 8.27	\$ 8.27	\$ 8.27			99.22
Landscape Expenses																			
4605	Landscaping Maintenance Contract	\$ 908.00	\$ 908.00	\$ 908.00	\$ 908.00	\$ 908.00	\$ 908.00	\$ 908.00	\$ 908.00	\$ 908.00	\$ 908.00	\$ 908.00	\$ 908.00	\$ 908.00	\$ 908.00	\$ 908.00			10,896.00
4660	Non-Contract Landscaping	\$ 100.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			100.00
Administrative Expenses																			
4705	Accounting/Tax Preparation	\$ -	\$ 30.00	\$ 400.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			430.00
4710	Management	\$ 687.00	\$ 687.00	\$ 687.00	\$ 687.00	\$ 687.00	\$ 687.00	\$ 687.00	\$ 687.00	\$ 687.00	\$ 687.00	\$ 687.00	\$ 687.00	\$ 687.00	\$ 687.00	\$ 687.00			8,244.00
4713	Management Mileage	\$ 29.26	\$ 29.26	\$ 29.26	\$ 29.26	\$ 29.26	\$ 29.26	\$ 29.26	\$ 29.26	\$ 29.26	\$ 29.26	\$ 29.26	\$ 29.26	\$ 29.26	\$ 29.26	\$ 29.26			351.08
4715	Postage	\$ 25.58	\$ 25.58	\$ 25.58	\$ 25.58	\$ 25.58	\$ 25.58	\$ 25.58	\$ 25.58	\$ 25.58	\$ 25.58	\$ 25.58	\$ 25.58	\$ 25.58	\$ 25.58	\$ 25.58			306.95
4720	Copies	\$ 14.13	\$ 14.13	\$ 14.13	\$ 14.13	\$ 14.13	\$ 14.13	\$ 14.13	\$ 14.13	\$ 14.13	\$ 14.13	\$ 14.13	\$ 14.13	\$ 14.13	\$ 14.13	\$ 14.13			169.50
4730	Statements	\$ 118.00	\$ -	\$ -	\$ 118.00	\$ -	\$ -	\$ 118.00	\$ -	\$ -	\$ 118.00	\$ -	\$ -	\$ 118.00	\$ -	\$ -			472.00
4735	Legal Expense	\$ 10.00	\$ 10.00	\$ 10.00	\$ 10.00	\$ 10.00	\$ 10.00	\$ 10.00	\$ 10.00	\$ 10.00	\$ 10.00	\$ 10.00	\$ 10.00	\$ 10.00	\$ 10.00	\$ 10.00			120.00
4745	Office Supplies	\$ 29.00	\$ 29.00	\$ 29.00	\$ 29.00	\$ 29.00	\$ 29.00	\$ 29.00	\$ 29.00	\$ 29.00	\$ 29.00	\$ 29.00	\$ 29.00	\$ 29.00	\$ 29.00	\$ 29.00			348.00
4755	Meeting Expenses	\$ 50.00	\$ -	\$ -	\$ -	\$ 50.00	\$ -	\$ -	\$ -	\$ -	\$ 50.00	\$ -	\$ -	\$ 50.00	\$ -	\$ -			200.00
4765	Fax	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			-
4780	Website Expenses	\$ 56.25	\$ -	\$ -	\$ 56.25	\$ -	\$ -	\$ 56.25	\$ -	\$ -	\$ 56.25	\$ -	\$ -	\$ 56.25	\$ -	\$ -			225.00
4791	Storage	\$ 11.00	\$ 11.00	\$ 11.00	\$ 11.00	\$ 11.00	\$ 11.00	\$ 11.00	\$ 11.00	\$ 11.00	\$ 11.00	\$ 11.00	\$ 11.00	\$ 11.00	\$ 11.00	\$ 11.00			132.00
4792	Contingency	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			-
Total Expenses		\$ 2,046.48	\$ 1,952.23	\$ 3,687.23	\$ 1,896.48	\$ 1,772.23	\$ 1,722.23	\$ 1,896.48	\$ 1,722.23	\$ 1,772.23	\$ 1,772.23	\$ 1,920.48	\$ 1,772.23	\$ 1,722.23	\$ 1,722.23	\$ 1,722.23			23,882.76
Total Income		\$ 3,924.33	\$ (1,921.42)	\$ (3,656.42)	\$ 4,074.33	\$ (1,741.42)	\$ (1,691.42)	\$ 4,074.33	\$ (1,691.42)	\$ (1,741.42)	\$ (1,741.42)	\$ 4,050.33	\$ (1,741.42)	\$ (1,691.42)	\$ (1,691.42)	\$ (1,691.42)			246.98
Reserves																			
5000	Reserve Balance	\$ 8,425.00	\$ 1.50	\$ 1.50	\$ 1.50	\$ 1.50	\$ 1.50	\$ 1.50	\$ 1.50	\$ 1.50	\$ 1.50	\$ 1.50	\$ 1.50	\$ 1.50	\$ 1.50	\$ 1.50			8,441.50
5100	6 Month CD Balance - 4.25%	\$ 5,000.00	\$ 17.71	\$ 17.71	\$ 17.71	\$ 17.71	\$ 17.71	\$ 17.71	\$ 17.71	\$ 17.71	\$ 17.71	\$ 17.71	\$ 17.71	\$ 17.71	\$ 17.71	\$ 17.71			5,194.79
5200	1 Year CD Balance - 4.5%	\$ 10,000.00	\$ 37.50	\$ 37.50	\$ 37.50	\$ 37.50	\$ 37.50	\$ 37.50	\$ 37.50	\$ 37.50	\$ 37.50	\$ 37.50	\$ 37.50	\$ 37.50	\$ 37.50	\$ 37.50			10,412.50
5300	2 Year CD Balance - 4.25%	\$ 10,000.00	\$ 35.42	\$ 35.42	\$ 35.42	\$ 35.42	\$ 35.42	\$ 35.42	\$ 35.42	\$ 35.42	\$ 35.42	\$ 35.42	\$ 35.42	\$ 35.42	\$ 35.42	\$ 35.42			10,389.58
5400	3 Year CD Balance - 4%	\$ 5,000.00	\$ 16.67	\$ 16.67	\$ 16.67	\$ 16.67	\$ 16.67	\$ 16.67	\$ 16.67	\$ 16.67	\$ 16.67	\$ 16.67	\$ 16.67	\$ 16.67	\$ 16.67	\$ 16.67			5,183.33
Total Income		\$ 38,425.00	\$ 108.79	\$ 108.79	\$ 108.79	\$ 108.79	\$ 108.79	\$ 108.79	\$ 108.79	\$ 108.79	\$ 108.79	\$ 108.79	\$ 108.79	\$ 108.79	\$ 108.79	\$ 108.79			39,621.71