

# Sycamore Canyon Homeowners Association

## 2023 Approved Operating Budget

Enclosed please find the 2023 Operating Budget, which was approved by the Board of Directors on 12/13/2022.

There is an assessment increase for 2023.

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

**Quarterly Assessment Statement:** Your 2023 quarterly assessment for the first quarter is \$231.00 the additional Block B assessment is \$120.00. For the 2<sup>nd</sup>, 3<sup>rd</sup>, and 4<sup>th</sup> quarter the assessment is \$277.20 the additional Block B assessment is \$144.00. This assessment is due on January 1, 2023, April 1, 2023, July 1, 2023 and October 1, 2023. Unpaid assessments will result in a late fee being added after 90 days per quarter. Additionally, unpaid amounts are subject to interest charges at the rate of 12% per annum. Interest is applied on the 90<sup>th</sup> day of each quarter that the balance remains unpaid.

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.

The Annual Meeting is to be determined. Homeowners will be mailed additional information prior to that meeting.

If you have setup automatic payments through your bank for your assessment, please contact your banking institution to change the dollar amount of the new assessment. **Please note that**

**this change needs to be initiated by the owner, Cadden does not have the authority to do this for you.**

If you have any questions regarding the budget or any Association issues, please do not hesitate to contact me at 520-648-6730 or you may also email me at [malarcon@cadden.com](mailto:malarcon@cadden.com).

For the Association,

Michael Alarcon  
Community Association Manager  
Cadden Community Management

Attachments: Assumptions and Budget

	2021		2022				2023	
GL Code	Income	Year-End Actuals	Approved Budget	Jan-Sep Actual	Oct-Dec Estimated	Year End Estimated	Approved Budget	Assumptions
3010	Owner Assessments	\$578,413.77	\$586,344.00	\$445,228.67	\$147,265.75	\$592,494.42	\$676,972.80	1st Q assessments will remain the same. 2nd, 3rd, and 4th Q assessments based on 20% increase on 608 lots at 277.20, Block B 56 lots additional 144.00
3011	Lot Owner Assessments	\$0.00	\$120.00	\$0.00	\$0.00	\$0.00	\$105.30	Vacant lot assessment 1 lot at 69.30 for assessment and Block B gate assessment at 36.00 per quarter
3020	Late Fees & Interest	\$904.09	\$200.00	\$2,913.65	\$0.00	\$2,913.65	\$0.00	Fees paid for late assessments
3070	Fines - CC&R Violations	\$0.00	\$500.00	\$438.95	\$30.00	\$468.95	\$0.00	Fines paid for CCR violations
3075	Pool Keys/Cards	\$650.00	\$400.00	\$100.00	\$0.00	\$100.00	\$0.00	Replacement pool keys not budgeted no longer have key system
3085	Postal Locks	\$200.00	\$200.00	\$150.00	\$0.00	\$150.00	\$0.00	Postal lock replacement
3100	Working Capital	\$0.00	\$1,000.00	\$602.00	\$0.00	\$602.00	\$0.00	Working Capital on new construction
3140	Builder Assessments	\$0.00	\$1,000.00	\$0.00	\$0.00	\$0.00	\$0.00	
3175	Gate Remotes	\$164.00	\$200.00	\$28.00	\$0.00	\$28.00	\$0.00	Replacement gate remotes
3180	Interest Earned	\$15.95	\$15.00	\$13.66	\$2.79	\$16.45	\$0.00	
	<b>Total Income</b>	<b>\$580,347.81</b>	<b>\$589,979.00</b>	<b>\$449,474.93</b>	<b>\$147,298.54</b>	<b>\$596,773.47</b>	<b>\$677,078.10</b>	
	<b>Fixed Expenses</b>							
4010	Property Tax	\$772.42	\$800.00	\$0.00	\$729.80	\$729.80	\$850.00	Property taxes on for common areas
4011	Reserve Transfers-General	\$54,683.36	\$69,827.00	\$34,913.52	\$34,913.48	\$69,827.00	\$79,682.00	Projected contributions per the Reserve Study
4015	ACC Reporting	\$10.00	\$10.00	\$10.00	\$0.00	\$10.00	\$10.00	Arizona Corporation Commission annual fee
4020	Income Taxes State & Federal	\$50.00	\$50.00	\$50.00	\$0.00	\$50.00	\$50.00	Non-profit organizations pay a minimum tax of \$50.00 to the state.
4025	Licenses & Permits	\$320.00	\$0.00	\$480.00	\$0.00	\$480.00	\$500.00	Annual License Agreement/Easement paid to Pima County
4030	Liability/D&O Insurance	\$11,412.00	\$12,000.00	\$14,491.00	\$0.00	\$14,491.00	\$14,926.00	Liability, property, and directors & officers + 3%
4045	Backflow Prevention Testing	\$1,077.50	\$500.00	\$300.56	\$453.20	\$753.76	\$1,000.00	Annual testing of backflow preventers as required by law + 50% increase due to cost increase.
	<b>Utilities Expenses</b>							
4110	Electric	\$11,718.54	\$12,000.00	\$10,426.85	\$2,991.45	\$13,418.30	\$15,000.00	Electricity for mailbox lights, pool area, monument lights
4120	Water/Sewer	\$57,668.02	\$56,000.00	\$36,779.63	\$11,949.96	\$48,729.59	\$56,000.00	Water for the pool, spa, restrooms, park and monument irrigation
4130	Gas	\$13,561.08	\$8,000.00	\$1,426.83	\$2,000.00	\$3,426.83	\$8,000.00	Gas to heat the pool/spa
	<b>Operating Expenses</b>							
4205	Pest Control	\$505.00	\$300.00	\$395.00	\$0.00	\$395.00	\$500.00	Pool area and restrooms
4220	Trash Service	\$108,351.26	\$108,600.00	\$82,115.26	\$27,874.11	\$109,989.37	\$109,989.37	Trash service for all residents
4221	Community Foundation Dues	\$18,664.64	\$27,997.00	\$25,663.92	\$2,333.08	\$27,997.00	\$35,320.32	5% of owner assessments
4225	Vandalism	\$338.14	\$0.00	\$365.00	\$0.00	\$365.00	\$500.00	Graffiti removal
4250	Security Patrol	\$9,554.00	\$5,000.00	\$9,449.89	\$1,260.00	\$10,709.89	\$12,000.00	Night patrols and pool monitoring
	<b>Maintenance Expenses</b>							
4305	General Maintenance	\$8,853.64	\$8,000.00	\$3,903.38	\$570.00	\$4,473.38	\$9,200.00	Faux brick repair, painting, sign installation, fountain repair, light repair, postal lock repair, etc.

	2021		2022				2023	
GL Code	Income	Year-End Actuals	Approved Budget	Jan-Sep Actual	Oct-Dec Estimated	Year End Estimated	Approved Budget	Assumptions
4310	Painting & Supplies	\$1,964.00	\$0.00	\$0.00	\$0.00	\$0.00	\$2,000.00	Painting
4350	Postal Locks	\$45.00	\$0.00	\$0.00	\$0.00	\$0.00	\$500.00	Replacement postal locks
	<b>Gate Expenses</b>							
4410	Gate Electric	\$140.07	\$500.00	\$268.88	\$111.84	\$380.72	\$500.00	Electricity for the Block B gate
4420	Gate Phone	\$781.50	\$700.00	\$520.61	\$363.78	\$884.39	\$1,000.00	Phone service for the Block B gate
4460	Gate Remotes	\$283.21	\$300.00	\$0.00	\$0.00	\$0.00	\$300.00	Replacement gate remotes
4465	Gate Repairs & Maintenance	\$1,278.50	\$1,000.00	\$0.00	\$1,423.50	\$1,423.50	\$1,500.00	Gate repairs as needed
4470	Gate Maintenance Contract Block B	\$365.00	\$550.00	\$940.00	\$190.00	\$1,130.00	\$1,140.00	Contract to maintain gate data: codes, remotes, resident info
	<b>Pool Expenses</b>							
4510	Pool Maintenance Contract	\$14,400.00	\$14,400.00	\$10,820.65	\$3,824.52	\$14,645.17	\$14,400.00	Summer: 7x per week service, winter: 5x week
4520	Chemicals/Supplies	\$12,711.56	\$12,000.00	\$6,856.47	\$3,148.35	\$10,004.82	\$12,000.00	Chemicals and supplies for the pool and spa
4530	Janitorial Services	\$4,226.84	\$4,200.00	\$4,553.75	\$5,261.25	\$9,815.00	\$10,000.00	Janitorial service for the restrooms
4540	Janitorial Supplies	\$486.29	\$300.00	\$404.52	\$532.32	\$936.84	\$1,000.00	Janitorial supplies for the restroom
4560	Permits	\$382.00	\$400.00	\$270.00	\$130.00	\$400.00	\$400.00	Pool and spa permits
4570	Pool HIS Connection	\$1,717.80	\$0.00	\$1,347.15	\$439.05	\$1,786.20	\$0.00	Internet for the cameras: cameras were vandalized. Recommend removing internet.
4580	Pool Repairs	\$5,376.36	\$5,000.00	\$3,673.31	\$1,192.50	\$4,865.81	\$6,000.00	Pool & spa equipment repairs as needed
	<b>Landscape Expenses</b>							
4605	Landscaping Maintenance Contract	\$169,200.00	\$168,600.00	\$128,421.80	\$42,150.00	\$170,571.80	\$193,440.00	Common area landscaping maintenance. +15%
4610	Plant Replacement	\$522.50	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
4611	Monument Plant Replacement	\$300.00	\$700.00	\$320.00	\$0.00	\$320.00	\$700.00	Installation of flowers at the monument April/October
4615	Irrigation Repairs	\$2,130.13	\$1,500.00	\$1,668.25	\$10,238.54	\$11,906.79	\$1,500.00	Irrigation repairs as needed
4620	Irrigation Improvements		\$0.00	\$189.00	\$0.00	\$189.00	\$200.00	
4630	Herbicides	\$6,787.00	\$8,000.00	\$6,098.75	\$1,901.25	\$8,000.00	\$8,000.00	Pre/post emergent for common areas
4635	Overseeding	\$7,800.00	\$7,800.00	\$3,750.00	\$4,050.00	\$7,800.00	\$7,800.00	Overseeding park grass
4640	Recreation Area Maintenance	\$3,995.52	\$1,530.00	\$1,041.80	\$0.00	\$1,041.80	\$1,600.00	Quarterly inspections of the park equipment
4660	Non-Contract Landscaping	\$85.00	\$0.00	\$14,931.20	\$0.00	\$14,931.20	\$15,000.00	Additional services/man hours
4661	Reimbursable Lot Clean Up	\$368.61	\$200.00	-\$1,248.00	\$0.00	-\$1,248.00	\$0.00	Lot cleanups after notice, billed to resident
	<b>Administrative Expenses</b>					\$0.00	\$0.00	
4705	Accounting/Tax Preparation	\$422.00	\$400.00	\$434.00	\$0.00	\$434.00	\$500.00	Preparation of Federal and State tax return; annual CPA compilation.
4710	Management	\$38,146.50	\$38,178.00	\$28,644.00	\$9,591.75	\$38,235.75	\$38,367.00	\$5.25/lot/month
47.13	Management Mileage	\$0.00	\$0.00	\$118.75	\$216.00	\$334.75	\$600.00	Mileage to and from office
4715	Postage	\$325.69	\$500.00	\$335.21	\$208.50	\$543.71	\$700.00	Correspondence postage
4720	Copies	\$237.24	\$400.00	\$178.29	\$58.32	\$236.61	\$500.00	Copies of correspondence, financial statements, documents, annual meeting packets, etc.
4722	Scanning	\$164.64	\$200.00	\$111.30	\$82.62	\$193.92	\$300.00	Scanned documents as needed
4730	Statements	\$3,325.40	\$4,242.00	\$1,859.05	\$1,216.00	\$3,075.05	\$4,862.00	Quarterly statements mailed to all residents

	2021		2022				2023	
GL Code	Income	Year-End Actuals	Approved Budget	Jan-Sep Actual	Oct-Dec Estimated	Year End Estimated	Approved Budget	Assumptions
4735	Legal Expense	-\$1,469.63	\$500.00	-\$251.20	\$0.00	-\$251.20	\$500.00	Consultation with attorneys and other legal expenses
4745	Office Supplies	\$696.66	\$600.00	\$418.88	\$167.10	\$585.98	\$700.00	Envelopes, post cards, checks, storage, mailing labels, vendor 1099's, etc.
4751	Bank Fees	-\$20.00	\$0.00	\$10.00	\$0.00	\$10.00	\$10.00	Bank service charges for deposit slips, etc.
4755	Meeting Expenses	\$0.00	\$75.00	\$0.00	\$0.00	\$0.00	\$600.00	Annual Meeting printing, mailing, and minutes
4760	Newsletter/Printing	\$85.94	\$500.00	\$0.00	\$0.00	\$0.00	\$500.00	Outside printing, annual meeting notice.
4770	Committee Expenses	\$6,982.71	\$6,000.00	\$2,637.16	\$3,000.00	\$5,637.16	\$6,000.00	Events committee: community events
4780	Web-Site Expenses	\$0.00	\$300.00	\$0.00	\$0.00	\$0.00	\$0.00	Cadden Website
	<b>Total Expenses</b>	<b>\$581,783.64</b>	<b>\$588,659.00</b>	<b>\$440,094.42</b>	<b>\$174,572.27</b>	<b>\$614,666.69</b>	<b>\$676,646.69</b>	
	<b>Net Income</b>	<b>-\$1,435.83</b>	<b>\$1,320.00</b>	<b>\$9,380.51</b>	<b>-\$27,273.73</b>	<b>-\$17,893.22</b>	<b>\$431.41</b>	