



November 15, 2020

To all Miner's Camp Owners,

Over the last several years, the homeowner's assessments for Miner's Camp have increased somewhat but have not covered the actual expenses for your upgraded services, such as landscape maintenance and snow removal expenses in heavy snow years. In 2018, Miner's Camp owners requested an upgraded landscape maintenance contract with additional services. Earlier this fiscal year 2020, we transferred the responsibility for the maintenance of the Miner's Camp Park to the Suncadia Community Council.

From 2017, 2018 and 2019, the amounts budgeted and billed to Miner's Camp Owners for their annual operating expenses still have an outstanding unpaid balance of \$27,978.00 due to assessment levels not being sufficient to cover all the actual operating expenses incurred by Miner's Camp in those years.

On a positive note, as of November 1, 2020, there is a \$5,902.00 positive balance in the account for the current 2020 budget year. The outstanding deficit amounts have been disclosed in the 2021 annual budget review and the cumulative Miner's Camp budget shortfalls so far have been paid by all SROA owners from the SROA budget surplus.

This financial shortfall has been reviewed with the SROA Finance Committee, the CPA Audit firm, Association Management and the SROA Board. This budget deficit needs to be resolved in 2021 since there is no allowance or provisions in the SROA Governing Documents (CC&R's) to pay for any Miner's Camp upgrade in services from any other account managed through the Associations, other than funds from the Miner's Camp owners.

After reviewing the available options and governing documents, the following solution has been recommended and approved by the SROA Board.

- For the first and second quarter 2021 billing for assessments (Jan 1 and April 1, 2021), each Miner's Camp property will be responsible for the new 2021 budgeted quarterly Miner's Camp assessment of \$850 plus an additional \$583 for two quarters ($\$27,978$ divided by 24 properties = \$1,165.75 total additional responsibility per property).
- This will result in Miner's Camp assessments for first quarter and second quarter 2021 of \$1,433 per quarter.

- At the end of the second quarter of 2021, the budget will be reviewed and for the third and fourth quarter billings, the assessments will be adjusted to pay any additional outstanding amount remaining along with sufficient additional assessments to build an amount equal to 1.5 months of operating cash for the upgraded services required for Miner's Camp. This policy is the same for all associations that have upgraded services.
- By the end of 2022, the Miner's Camp operating cash reserves should total at least 3 months budgeted operating expenses, since the CPA Audit firm engaged by SROA have provided a policy statement recommendation to SROA that operating cash reserves for SROA and all managed SROA Villages and Neighborhoods should total at between 3 and 6 months.
- The Board and Finance Committee have approved a gradual increase of operating cash for all Associations, Villages and Neighborhoods with upgraded services to insure that at the end of 2 years, all will have at least three (3) months operating cash. This is a minimum for all Associations according to the CPA Audit firm and will be reviewed quarterly and annually by the SROA Board and Finance Committee.

The SROA Board and Finance Committee believe that the above option will be easier for every property owner instead of levying a one-time special assessment to fund the outstanding deficit amount immediately.

Currently, there are two Miner's Camp Property Owners that are substantially behind in paying their assessments. This has not been calculated into the assessment increase. If those assessments are not brought current, Miner's Camp will need to make up the difference in the third quarter of 2021.

If you have questions for the Board or Budget / Finance Committee concerning this, please direct them to Michael Bennett at mbennett@suncadia.com who will forward them, or please plan to attend the Annual Owners Meeting on Saturday December 5, 2020 (being held remotely via ZOOM due to Covid-19 restrictions).

The SROA annual owners meeting session begins at 1:00 pm. The meeting agenda and Zoom invitation are available on the Suncadia Community Associations website at:

<https://suncadiacommunityassociations.org/wp-content/uploads/sites/3426/2020/11/SROA-Annual-Meeting-Notice-2020R2.pdf>

By Direction of the Board of Directors
Suncadia Residential Owners Association