



SUNCADIA

SUNCADIA COMMUNITY COUNCIL – 2024 BUDGET DISCUSSION

SCC assessments are increasing \$710K over 2023, a 19% increase overall.

Below is a break-down of the 2024 assessment by type:

	Monthly Assessment		
	Operations	Reserve	Total
Suncadia Residential Owners Association	258,063	38,614	296,677
Commercial Owners Association			
Lodge at Suncadia	12,778	1,912	14,690
Inn at Suncadia	7,383	1,105	8,487
Inn at Suncadia - Rental Units	1,421	213	1,634
Glade Springs Spa	3,790	567	4,357
The Kid's Club	774	116	890
Sales & Discovery Center	2,763	413	3,177
Swiftwater Winery - Retail	3,377	505	3,883
Swiftwater Winery - Production Facility	1,203	180	1,383
<i>Commercial Owners Association - subtotal</i>	<i>33,489</i>	<i>5,011</i>	<i>38,500</i>
Privately Owned Amenity			
Prospector Golf Course	4,816	721	5,537
Rope Rider Golf Course	2,842	425	3,268
Nelson Dairy Pool	6,632	992	7,625
Swim & Fitness Center	5,764	862	6,626
Tumble Creek Golf Course	3,158	473	3,631
Tumble Creek Hill House	6,553	981	7,534
<i>Privately Owned Amenity - subtotal</i>	<i>29,766</i>	<i>4,454</i>	<i>34,220</i>

- Residential assessments are increasing \$630K to \$3.6M annually, a 22% increase
- Commercial assessments increasing \$42K to \$462K annually, a 10% increase
- Amenities assessments increasing \$38K to \$411K annually, a 10% increase

These increases are allocated based on total units within the community and an allocation factor as outlined in the governing documents. Residential units are growing while the commercial and amenities units are the same as 2023.

The increase of Assessments is due to the following:

- Expenses: increasing \$1,082K from 2023 forecast and \$605K from 2023 budget.

- Fees, personnel and other professional services are increasing \$525K. This is primarily related to a \$384K increase in outsourced community patrol. This expense anticipates a contractual labor increase and full staffing. In 2023, there was some savings from the budget due to a delay in vehicle acquisition and lower benefit usage than budgeted. In 2024, additional personnel have been added to operations to support continued growth and community needs. These personnel support operations and forestry management services. This accounts for \$148K of the increase from 2023 forecast.
- General expenses are increasing \$36K, primarily from additional B&O tax of \$22K as a function of increasing taxable revenue and \$10K of expense to support various owner initiatives including a refreshed survey.
- Repairs and Maintenance is increasing \$322K. This is primarily due to \$189K of additional snow removal expense, based on a moderate snow year, \$85K of landscaping expense to improve landscaping throughout SCC land, and increases in street maintenance and parks, paths and trails to support Nelson Farm and general street safety initiatives.
- Reserve contributions are increasing \$115K; this is due to an increase in 2024 expenditures.
 - 2024 expenses are from the reserve study and listed by item within the budget packet

The Association remains at year-end 2024 with 3x monthly expense operating cash and adequate reserve cash to cover anticipated expenses for 2024.

Suncadia Community Council
2024 Budget
Operating Income Statement

	2023 Budget	2023 Forecast	2024 Budget	Incr (decr) from 2023 Forecast	% Variance to 2023 Forecast
Income					
Assessment - SROA	\$ 2,929,735	\$ 2,929,735	\$ 3,560,120	\$ 630,385	22%
Assessment - Commercial	419,675	419,676	461,998	42,322	10%
Assessment - Amenities	373,020	373,019	410,636	37,617	10%
Construction Debris Fee	275,000	268,482	265,000	(3,482)	-1%
Other Income	-	4,092	-	(4,092)	-100%
Construction Debris - COGS	(225,000)	(374,053)	(325,000)	49,053	-13%
Transponder Income - Operations	-	540	-	(540)	-100%
Income	3,772,430	3,621,491	4,372,754	751,263	21%
Expense					
Admin & Contract Services					
Management Fee	119,978	119,978	240,000	120,022	100%
Program Management Personnel	350,000	366,000	514,018	148,018	40%
Community Patrol Expense	1,160,658	885,800	1,270,000	384,200	43%
Contract Administration Fee	234,075	130,500	-	(130,500)	-100%
Professional Services	20,000	19,800	21,000	1,200	6%
Professional Svcs - Website - Operations	800	814	850	36	4%
Legal Services	5,000	7,500	10,000	2,500	33%
	1,890,511	1,530,392	2,055,868	525,476	34%
General Expenses					
Insurance Premiums	12,000	20,589	22,600	2,011	10%
Depreciation Expense	46,000	52,828	51,000	(1,828)	-3%
Meeting Expense	-	181	-	(181)	-100%
Personnel Retention	6,000	6,000	6,000	-	0%
Training	1,500	-	-	-	0%
Supplies - Operating	52,000	52,449	53,000	551	1%
Supplies - Decorations	3,000	3,000	3,000	-	0%
Postage	1,000	3,000	3,000	(0)	0%
Uniforms	5,000	9,250	11,900	2,650	29%
Vehicle Fuel	12,000	15,000	15,500	500	3%
Licenses,Permits,Dues	700	95	200	105	111%
Tax - B&O	65,690	60,092	82,500	22,408	37%
Tax - Property	-	1,144	1,200	56	5%
Income Tx	500	500	500	-	0%
Other General Expense	-	-	10,000	10,000	0%
Misc Exp	-	(2)	-	2	-100%
	205,390	224,126	260,400	36,274	16%

Suncadia Community Council
2024 Budget
Operating Income Statement

	2023 Budget	2023 Forecast	2024 Budget	Incr (decr) from 2023 Forecast	% Variance to 2023 Forecast
Maintenance & Repair					
Vehicle & Equipment R and M	12,000	19,100	16,000	(3,100)	-16%
Custodial Services	9,000	7,250	7,500	250	3%
Hazard Tree Removal	25,000	16,000	25,000	9,000	56%
Fire System Repairs & Maintenance	2,000	1,500	2,000	500	33%
General Repairs & Maintenance	11,000	16,500	13,000	(3,500)	-21%
R & M Gates and Cameras	15,000	15,000	15,000	0	0%
Grounds/ Landscape	140,000	130,000	215,000	85,000	65%
Parks Paths & Trails	40,000	43,000	55,000	12,000	28%
Parks Sports Equipment	5,000	229	5,000	4,771	2087%
Nordic Paths	13,000	10,000	13,000	3,000	30%
Snow Removal	509,000	395,000	583,700	188,700	48%
Street Maintenance	31,500	58,000	77,500	19,500	34%
Sign Maintenance	4,000	5,500	11,000	5,500	100%
	816,500	717,078	1,038,700	321,622	45%
Open Space Management					
Forest Health	200,000	213,600	268,000	54,400	25%
Cle Elum River Corridor Mgmt	90,000	89,493	97,447	7,954	9%
Weeds/ Open Space/ Wildlife	40,000	30,000	40,000	10,000	33%
	330,000	333,093	405,447	72,354	22%
Utilities					
Electricity	11,000	10,700	12,300	1,601	15%
Water & Sewer	25,000	41,500	50,000	8,500	20%
Telephone	10,000	7,300	7,600	300	4%
Telephone Service - Cell	18,000	16,000	16,500	500	3%
	64,000	75,498	86,400	10,902	14%
Contingency & Reserve					
Contingency	50,000	-	-	-	0%
Reserve Contribution	462,029	462,029	576,940	114,911	25%
	512,029	462,029	576,940	114,911	25%
TOTAL EXPENSES	3,818,430	3,342,216	4,423,754	1,081,538	32%
Excess/(Deficit) of Revenues over Expenses	\$ (46,000)	\$ 279,275	\$ (51,000)	\$ (330,275)	-118%

Amenities are Riverfront Park, Lodge to River Trail, Nelson Creek Trail Picnic Area, 1000 Steps, No. 9 Mine Interpretive Center, public restrooms
7 days per week Recreation in Dawson Park

Projected retained earnings	1,142,134	1,091,134
Average cash expense per month	278,518	364,396
Months	4.10	2.99

* The Contract Administration fee will not be charged under the Management agreement in 2024 for recurring operating contracts such as snow removal and landscaping. In the event a non-recurring need comes up that requires additional resources, this fee may be charged. No non-recurring needs are identified in the 2024 budget.

Suncadia Community Council
2024 Budget
Reserves

	2023 Budget	2023 Forecast	2024 Budget	Incr (decr) from 2023 Forecast	% Variance to 2023 Forecast
Income					
Reserve Investment Interest	\$ -	\$ 2,916	\$ 36,793	\$ 33,877	1162.0%
Reserve Income (1)	462,029	345,187	640,148	294,961	85.4%
Income	<u>462,029</u>	<u>348,103</u>	<u>676,941</u>	<u>328,838</u>	<u>94.5%</u>
Expense					
Admin & Contract Services					
Contract Administration Fee*	-	40,136	-	(40,136)	-100.0%
	<u>-</u>	<u>40,136</u>	<u>-</u>	<u>(40,136)</u>	<u>-100.0%</u>
Maintenance & Repair					
Vehicle Reserve Expense	97,893	-	119,595	119,595	0.0%
General R & M Reserves	16,173	-	25,271	25,271	0.0%
R & M Reserve Gates & Camera	8,082	5,000	105,052	100,052	2001.0%
Grounds/ Landscape Maint-Reserves	29,480	13,834	29,482	15,648	113.1%
Parks Paths Reserves	50,780	4,154	42,089	37,935	913.2%
Street Maintenance Reserves	44,209	29,187	95,242	66,055	226.3%
Sign Maintenance Reserves	7,577	3,176	7,577	4,401	138.6%
	<u>254,194</u>	<u>55,351</u>	<u>424,308</u>	<u>368,957</u>	<u>666.6%</u>
Open Space Management					
Forest Health Reserves	252,616	252,616	252,633	17	0.0%
	<u>252,616</u>	<u>252,616</u>	<u>252,633</u>	<u>17</u>	<u>0.0%</u>
TOTAL EXPENSES	<u>506,810</u>	<u>348,103</u>	<u>676,941</u>	<u>328,838</u>	<u>94.5%</u>
Excess/(Deficit) of Revenues over Expenses	<u>\$ (44,781)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>0.0%</u>

(1) Unspent Reserves	
The accounting rules for revenue recognition for Reserve Fund changed in 2020. Under the new rules, the unspent reserve funds are shown on the balance sheet and just the funds needed to pay for the current year expenditures are transferred from the balance sheet to the Reserve income statement, and that income statement will show \$0 net income. Below is a summary of the projected balance of unspent Reserve funds that show on the balance sheet:	
Projected 01/01/2024 balance of unspent reserve funds ("Contract Liabilities")	\$ 1,471,700
Projected 2024 Reserve contributions	576,940
Projected 2024 Reserve expenditures funded from unspent Reserves	<u>(640,148)</u>
Projected 12/31/2024 balance of unspent reserve funds ("Contract Liabilities")	\$ 1,408,492

* The Contract Administration fee will not be charged under the Management agreement in 2024 for recurring operating contracts such as snow removal and landscaping. In the event a non-recurring need comes up that requires additional resources, this fee may be charged. No non-recurring needs are identified in the 2024 budget.

Suncadia Community Council
2024 Budget
Projected 2024 Reserve Spending

Vehicles		20,207	
ATV Polaris		40,580	
Subaru Forester		50,725	
Toyota Tacoma- 790		8,083	
Tailgate Sander			119,595
General Repairs & Maintenance		12,124	
Electrical Component	Light Poles	10,103	
Monument Refurbishment	Entry	3,044	
Patrol Trailer	Firehouse Road		25,271
R&M - Gates			
Gates	Firehouse Road	5,052	105,052
Gates	903	100,000	
R&M - Landscaping		4,067	
Irrigation Equipment R/R - Annual Allowance	All SCC Parks	10,166	
Landscape Restoration - Annual Allowance	Landscape Beds	15,249	
Mulch R/R - Ornamental Beds	Landscape Beds		29,482
R&M - Parks & Paths		5,052	
Playground Surfacing - Wood Chips	Various	4,041	
Various Playground Toys	Batista Meadow	4,041	
Various Playground Toys	Dawson Park	10,103	
Thousand Steps R&R	Thousand steps	5,428	
Basketball Court Resurface	Batista Meadow	11,403	
Tennis Court Resurface	Dawson Park	2,021	
Rec Building Exterior R/R	Dawson Park		42,089
R&M - Streets		30,310	
Asphalt R&R	Various	12,629	
Asphalt R&R - Crack Seal	Various	6,668	
Asphalt Seal	Bicycle Path Lodge Ext	41,634	
Asphalt Seal	Bicycle Paths	2,304	
Asphalt Seal	Dawson Park Parking	1,697	
Asphalt Seal	River Restrooms		95,242
R&M - Signs			7,577
Signs	Various		
Forest Health (Firewise)			252,633
Forestry/Firewise - Annual Allowance	Various		
Total			\$ 676,941