



Sunrise Master Association

15807 134th Avenue East

Puyallup, WA 98374

Phone: 360-872-8137

Email: smaadmin@comcast.net

DATE: October 30, 2023
TO: Sunrise Master Association Homeowners
FROM: Sunrise Master Association Board of Directors
RE: Notice of 2024 Budget Ratification Meeting

2024 Budget Ratification Meeting

Wednesday – November 15, 2022 – 6:00 PM

Zoom Meeting: <https://bit.ly/2023BUDGETRATIFICATION>

The 2024 Budget has been finalized and approved by the Sunrise Board of Directors as recommended by the 2024 Sunrise Budget Committee (an advisory committee comprised of Homeowners). The next step in the budget process is the ratification of the budget by the members of the Sunrise Master Association. All Owners are invited to this meeting. Please join us for the meeting and bring any questions you may have.

The meeting will be held via Zoom, and the meeting login is <https://bit.ly/2023BUDGETRATIFICATION>. If you need to call in, please contact the office for the call-in number.

MEETING AGENDA for November 15, 2023

- Call Meeting to Order/ Confirmation of Quorum
- Approve 2023 Budget Ratification Meeting Minutes
- Presentation of the 2024 Budget
- Homeowner Budget Related Questions & Comments
- 2024 Budget Ratification Vote
- Adjournment

2024 Sunrise Master Association Assessment Information

Sunrise Master Association (SMA) Annual Assessment and Due Date – All SMA Assessments are billed on an annual payment schedule. The 2024 SMA Assessment is set at **\$775.00** per unit for Class A (Single Family Unit Owners) and **\$387.50** per unit for Class B (multi-family apartment owners). The SMA Assessment is due in full on **January 1, 2024**. Assessment payments received after January 10, 2024, are considered late and are subject to late fees, interest, and administration fees per the SMA due process policy. Owners who are facing hardship must contact the SMA's management at (360) 872- 8137 or smaadmin@comcast.net before January 10 to request approval of a payment arrangement from the Board of Directors.

*You will receive your 2024 annual assessment courtesy statement for \$775.00 after the ratification meeting. **You do not need a statement to pay, and not receiving a statement does not relieve an owner of the obligation to pay.***

Specific Assessments – Homeowners in Emerald Pointe, Emerald Pointe West, and Cambria pay an additional "Specific Assessment" to cover maintenance costs unique to those developments. Specific Assessments are due in full on April 1, 2024, and are considered delinquent if not received by April 10, 2024.

2023 Specific Assessments:

- Cambria \$288.00
- Emerald Pointe \$227.00
- Emerald Pointe West \$138.00

Sub-Association Properties – Owners of Units in The Ridge, Emerald Pointe, Emerald Pointe West, and Sierra Crest are members of sub-associations and should contact their Sub-Association management company for information about sub-association assessments and due dates in addition to their Sunrise Master Assessment.

Assessment Payment Options

1. **Pay Online by e-check or credit/debit card (via HOA Community Solutions website)**
 - Go to www.hoacommunitysolutions.com and click on Pay Online and you will be routed to the Alliance Association Bank secure portal.
 - Scroll down to "Make a One-time Payment" on the right-hand side of the page.
 - Select your method of payment and follow the instructions.
 - You will need the following information to make an online payment:
 - Management Company ID: 6835
 - Association ID: SRMA
 - Account number: Located at the top of your statement.
 - Contact smaadmin@comcast.net / 360-872-8137 if you need assistance.
2. **Pay by personal check or bill pay (via your personal banking institution):**
 - Include the Association ID code of SRMA and your five-digit account number on the memo line so your payment is properly posted to your account.
 - If you have multiple properties, please issue separate payments for each property.
 - a. **Preferred Method** – Mail a check or send bill payment to the secure processing center.
Sunrise Master Association Processing Center
PO Box 97974
Las Vegas, Nevada 89193-7974
 - b. **Mail your check or money order payable to the SMA office. Cash is not accepted.** The office address is:
Sunrise Master Association
15807 134th Ave E
Puyallup, WA 98374
 - c. **Drop off a check in the mail slot in the door at the SMA office at the address above.**

**Owners who are currently enrolled in ACH facilitated by the SMA will have their payment automatically adjusted to \$64.58 per month and do not need to do anything.*



2023 Budget Ratification Meeting

Minutes

November 15, 2022

Zoom Meeting

A regular meeting of the Sunrise Master Association Board of Directors was held on November 15, 2022, by Zoom. Board Members Sloan Clack, Brenda Pearson, JK Morgan, and Jordan Schenk were in attendance. Board Member Monica Gildea was absent. Also in attendance were Association Management: Ashley Willey, Angel Smalling, Debra Porter, and Lauren Oster, HOA Community Solutions.

President Sloan Clack called the meeting to order at 6:00 p.m.

SMA Community Manager Lauren Oster provided an affidavit of notice of mailing by US Mail and by electronic distribution to the owners of the Association.

Confirmation of Quorum per Class.

- Class A: Eight (8) homeowners were in attendance. A list of owners in attendance is on file. A quorum of the Class A membership was not achieved, with 8 of 2,562 units in attendance. (.312%)
- Class B: The Class B Board Representative is a proxy for 384 Class B units. Class B achieved quorum with 384 of 574 units in attendance. (66.90%)
- Class C: The Class C Board Representative is a proxy for 1591 Class C units. Class C achieved quorum with 1594/1594 units in attendance. (100%)
- Based on the attendance of the meeting, a quorum of 42.01% (1,986/4728) was achieved to conduct business of the Association.

Presentation of the 2023 Budget given by Lauren Oster and Debra Porter.

Homeowner Questions/ Comment

- Justin Lewis – Does not approve of the assessment increase. The owner does not see the off-duty sheriff deputies driving around.
- Mikaela Hicks – Is the Emerald Pointe assessment solely based on the increase for gate repairs?
- David Eckert – Asked for clarification on what a Reserve Study is.

2023 Budget Ratification Vote

Per the Revised Code of Washington 64.90.525. Within thirty days after adoption of any proposed budget for the common interest community, the board must provide a copy of the budget to all the unit owners and set a date for a meeting of the unit owners to consider ratification of the budget not less than fourteen nor more than fifty days after providing the budget. Unless at that meeting the unit owners of units to which a majority of the votes in the association are allocated or any larger percentage specified in the declaration reject the budget, the budget and the assessments against the units included in the budget are ratified, whether or not a quorum is present.

For the record, as less than 51% (1983/4728) of the votes in the Association were not present at the meeting, the 2023 Budget was ratified as approved by the Sunrise Master Association Board of Directors on October 18, 2022.

Motion to approve IRS Revenue Ruling 70-604 for 2022 made by Sloan Clack, seconded by Brenda Pearson, and approved unanimously.

Motion to adjourn the 2023 Budget Ratification Meeting made at 6:43 p.m. by Brenda Pearson, seconded by JK Morgan, passed by unanimous approval of those present.

Approved:

Sloan Clack, President

Brenda Pearson, Secretary



**SUNRISE MASTER ASSOCIATION
2024 BUDGET SUMMARY**

The 2024 Sunrise Master Association (SMA) Budget Committee (the Committee) homeowner members Brenda Pearson, Cliff Snyder, Roger Elmore, and Eric Smith met several times in August and September of 2023. The Committee thoroughly reviewed the projected expenses for 2024, as well as the historic expenses, vendor contract pricing, and 2024 revenue sources. The Committee recommendations were presented to the Board of Directors, and the 2024 Sunrise Master Association Budget was adopted on October 17, 2023.

Continuing high inflation rates in areas that significantly impact the Association, namely fuel, labor, and construction materials, along with the addition of common areas in new sub-developments and parks, means that the Association is experiencing increases in many expense categories. At the same time, home resales and new construction are only projected to increase slightly in 2024, thus keeping the Association's revenues from Conveyance Contributions and new assessments lower than in previous years.

After carefully projecting expenses, the Total Expenses as budgeted are increasing from \$2,332,339.40 in 2023 to \$2,447,213.04 in 2024, an overall increase of \$114,873.64. One hundred thirty-one (131) units were added in 2023, bringing the January 1, 2024, Class A equivalent unit count to 2,832. These additions decrease the per unit/per month costs by \$3.06. However, like in 2023, income from Conveyance Contributions is projected to be low due to a softening housing market and will only increase by \$11,550.00 in 2024 from 2023 and is much lower than the amounts seen in 2021 and 2022.

The Committee and Board of Directors are aware that Sunrise homeowners are also dealing with rising costs due to inflation and desire to keep the Assessment as low as possible while also acknowledging the reality of an increase in expenses. The Sunrise Master Association intends to navigate this balance by marginally raising assessments from \$750 to \$775 per Class A Unit and from \$375 to \$387.50 per Class B Unit, a 3.33% increase, while also looking at historical trends to tighten up line-item expenses. This 3.33% increase is below the area's inflation rate of 5.4% and will fully balance the budget for the Association.

The following is a review of notable changes in income and expenses.

INCOME

- **Operating Assessments** – Increasing from \$1,862,968.75 in 2023 to \$2,194,800 in 2024.
 - 2,600 Class A (single family) units as of January 1, 2024, at \$775 per unit – \$2,015,000.
 - 464 Class B (apartment units) as of January 1, 2023, at \$387.50 per unit - \$179,800.

Operating assessments are increasing by 3.33% from \$750 to \$775 annually in 2024 for Class A Unit Owners and from \$375 to \$387.50 per Unit for Class B Unit Owners. This is a monthly increase from \$62.50 to \$64.58 for Class A Unit Owners and \$31.25 to \$32.29 for Class B Unit Owners.

- **Conveyance Assessments** – Increasing from \$114,000 in 2023 to \$125,550 in 2024.
 - Projecting 60 conveyances of current owner homes at \$775 per unit - \$46,500
 - 102 conveyances of newly built single-family homes at \$775 per unit - \$79,050.

Conveyance Assessment income is not income that should be depended upon and is intended to be used for Capital Improvements. When development is complete, income from Conveyance Assessments will be derived solely from resales.

- **Special Events Income** – Increase from \$1,800 in 2023 to \$2,400 in 2024 for National Night Out vendor booth donations.
- **Easement Fee** – Charged to Emerald at Sunrise HOA for an easement over SMA common area. Increase by CPI to \$1,327.04.
- **Admin Fee EP** – Charged to Emerald Pointe owners and paid for through their Specific Assessment for management of special assessment and gates.
- **Gate Fob Income** – Reimbursements for gate fobs purchased by Emerald Pointe owners. Reduce to \$500 because new builds are completed.
- **Delinquency Related Income** – Income related to delinquencies are Late Charges, Lien Recording Fees, Lien Release Fees, Notice of Intent to Lien Charge, Interest on Past Due, Administrative Notice Fee, and Certified Mail Fees. The goal of the Association is to have zero income due to delinquencies. However, it is an unfortunate reality that there will be delinquencies in a large Association. The 2024 combined budget items for all Delinquency income will remain at \$47,430 in 2024, based on the average of the actual cash received from these line items over the last four years.
- **Legal Expense**– Legal Fee Expense income is based on legal fees that are charged to homeowner accounts for collections or compliance related legal fees. Remain at \$40,000 in 2024 based on an average of the actual cash received in this line item over the last four years.
- **Fines/Compliance Income** –The Association’s goal is to have no income generated by fines. However, the reality is that there will be some fines in a large Association. Remain at \$7,400 in 2024 based on an average of actual cash received over the last four years, less outliers from daily fines levied for rental restriction violations.

EXPENSES

BAD DEBT/DOUBTFUL ACCOUNTS

The accounting is done on an accrual basis. This means that income is entered when it is billed, not when it is collected. To prevent overspending, the Bad Debt/Doubtful Accounts line-item accounts for Assessments that the Sunrise Master Association is unlikely to collect during the year. The National default rate is approximately 3%, which would be the equivalent of 78 owners in the SMA defaulting. The SMA consistently experiences less default on Assessments than the National default rate. This line item is decreasing from \$17,250 in 2023 to 12,000 in 2024, based on 16 owners who may not pay their assessments in 2024.

ADMINISTRATIVE

- **Security** – Increase from \$204,958 in 2023 to \$275,000.00 in 2024 to add private security to complement the off-duty Sheriff Deputy Patrols. Specific attention will be committed to the Association’s parks. Attention will also be given to upgrading physical security components.
- **Management** – Increase from \$420,704 in 2023 to \$437,820 for the addition of staff needed to service the rapid growth in Sunrise.
- **Reserve Study** – Increase from \$1,750 in 2023 to \$2,320 in 2024. The 3-year loyalty plan reserve study update was completed in 2023. Renewing a 3-year loyalty plan update in 2024 will raise the rate as there has been a large addition of units and common areas since 2021, when the 2023 rate was locked in.
- **Special Events** – Increase from \$15,000 in 2023 to \$20,000 in 2024 for the rising rates for current annual community events as well as the addition of new community events in 2024. This is partially offset by the Special Events income.

LANDSCAPE/GROUNDS MAINTENANCE

- **Landscape Maintenance Contract** – Increase from \$675,000 in 2023 to \$695,250 in 2024 due to a controlled 3% rate increase with the current landscaping vendor.

- **Irrigation Repairs/Upgrades** – Decrease from \$50,000 in 2023 to \$34,050 in 2024 based on actuals seen in 2023.

RESERVE CONTRIBUTION

Reserves funds are set aside for the major repairs and replacements of the commonly owned components. The Sunrise Master Association has a Reserve Study for 2024 that meets the requirements of RCW 64.90.550. The SMA is following the Reserve Study Specialist’s recommendation to contribute \$307,200 to the Reserves Fund, with a trajectory of reaching the 100% Fully Funded level by 2032. A copy of the 2024 Reserve Study is available for review and download on the Sunrise Master Association website at www.sunrisemasterassociation.com.

REPAIRS/MAINTENANCE

- **Pond Maintenance** – Increase from \$12,336 in 2023 to \$13,100.41 because a 3% increase is expected in contract pricing over 2023.
- **Signage** – Decrease from \$3,000 in 2023 to \$1,500 in 2024 as many signs found within the Association were updated in 2023.

TAXES

- **Taxes Real Estate** – Decrease from \$4,500 in 2023 to \$1,800.79 based on property tax valuations.

UTILITIES

- **Water** – Increase from \$228,876 in 2023 to \$288,000 based on TPU’s rate increase of 4.2%, the addition of irrigated common areas in Liberty Ridge, and a cushion for any major irrigation breaks that may occur with the aging system.
- **Electricity** – Increase from \$95,128 in 2023 to \$97,079.99 in 2024 based on the PSE rate increase of 1.7%.
- **Sewers** – Increase from \$1,356 in 2023 to \$2,590 based on the actual bills.

SUNRISE MASTER ASSOCIATION 2023 SPECIFIC ASSESSMENTS

CAMBRIA 2024 SPECIFIC ASSESSMENT

Cambria at Sunrise is a development within the Sunrise Master Association with private roads, sidewalks, and related elements that are specific to the development. The SMA maintains these elements on behalf of the Cambria community and the costs to maintain them are passed back to the Unit Owners as a Specific Assessment. In 2022, a Reserve Savings Account was started to begin saving toward major repairs.

The 2024 Total Expenses are projected to be \$26,784 including Reserve Account funding. The Specific Assessment is set at \$288 per Unit Owner due on April 1, 2023, for a Total Income of \$26,784.

EXPENSES

- **Reserve Contribution** – Increase to \$25,000 in 2024 from \$22,275 in 2023. This contribution is below recommended funding levels. The Reserve Study recommends a contribution of \$37,650 due to the age and deterioration of the components.

A copy of the 2024 Reserve Study is available for review and download on the Sunrise Master Association website at www.sunrisemasterassociation.com.

EMERALD POINTE 2024 SPECIFIC ASSESSMENT

The Emerald Pointe at Sunrise community has private streets, gates, and other related elements specific to the development. The Sunrise Master Association maintains these elements on behalf of the Emerald Pointe community and the costs to maintain them are passed back to the Unit Owners as a Specific Assessment. In 2022, a Reserve Account was set up to save toward major repairs and maintenance.

The 2024 Total Expenses are predicted to be \$115,960.50 including Reserves Account funding and routine maintenance expenses. The per Unit Owner Specific Assessment is set at \$227 per owner due on April 1, 2024, for a Total Income of \$105,782.50.

EXPENSES

- **Bad Debt/Doubtful Accounts** – This line item creates a cushion to offset income that may not be received in 2024. There are currently 20 owners who have not paid the 2023 Specific Assessment. This line item was decreased from \$5,200 in 2023 to \$4,540 in 2024.
- **Gate Repairs** – This line item includes preventative maintenance and repairs and remains at \$10,000 in 2024.
- **Gate Telephone** – Increase from \$2,000 in 2023 to \$2,250 in 2024 based on current bills.
- **Gate Code Admin** – Increase from \$425 in 2023 to \$483.50 in 2024 due to the gate program cloud service provider's increase.
- **Reserve Contribution** – The transfer amount to Reserves will remain at \$92,400 in 2024 based on the Reserve Specialist's Recommendation.
- **Severe Weather** – This is for ice and snow removal. Increase to \$2,500 in 2024 from \$2,300 in 2023.

A copy of the 2024 Reserve Study is available for review and download on the Sunrise Master Association website at www.sunrisemasterassociation.com.

EMERALD POINTE WEST 2024 SPECIFIC ASSESSMENT

The Emerald Pointe West at Sunrise (EPW) community has private streets and other related elements specific to the development. The SMA maintains these elements on behalf of the Emerald Pointe West community and the costs to maintain them are passed back to the EPW owners as a Specific Assessment. In 2023, a Reserves Savings Account was started to begin saving toward major repairs and replacements.

The 2024 Total Expenses are predicted to be \$9,936.24, including Reserves funding. The Specific Assessment is set at \$138 per Unit Owner, due on April 1, 2023, for a Total Income of \$9,936.24.

EXPENSES

- **Reserve Study** - \$790 for the 2025 study per agreement with Association Reserves.
- **Severe Weather** – \$806.24 for snow and ice removal. Any funds not used in 2024 will be added to the Reserve's Fund.
- **Reserve Contribution** - \$8,100 for the second year of funding, per the Reserve Study Specialist's recommendation.

A copy of the 2024 Reserve Study is available for review and download on the Sunrise Master Association website at www.sunrisemasterassociation.com.

**Sunrise Master Association
2024 Budget**



Projected Unit Count on January 1, 2024: Class A (Single Family) 2,600; Class B (Apartments) 464. The equivalent of 2,832 Class A Units

2023 Unit Count 2,701 Class A equivalent

	2023 Budget	<i>Per Unit/Mo</i>	2024 Budget	<i>Per Unit/Mo</i>	
Operating Fund					
INCOME					
Assessment Income	1,862,968.75	62.50	2,194,800.00	64.58	2,600 Class A Units @ \$775 each; 464 Class B Units @ \$387.50 per unit. Due January 1, 2024.
Community Center Rental	6,500.00		6,500.00		Clubhouse & Picnic Shelter Rentals
Conveyance Contributions	114,000.00		125,550.00		162 projected new home sales and resales @ \$775 each
Developer Assessment	15,000.00		15,000.00		Sunrise Development Corporation Voluntary Contribution
Special Events Income	1,800.00		2,400.00		NNO Vendor Booths and Small Business Saturday Vendor Booths
Easement Fee	1,250.00		1,327.04		Emerald at Sunrise Easement over SMA Common Area. (Currently, 4.6% but could continue to increase)
Admin Fee - EP	2,306.00		2,306.00		Administration of the Emerald Pointe funds. 466 owners at \$4.95 per owner.
Investment/Interest Income	4,000.00		4,000.00		
Gate Fob Income	800.00		500.00		Reimbursement for gate remotes for Emerald Pointe owners.
Late Charges	25,000.00		25,000.00		Reflects actuals over recent years.
Lien Recording Fees	2,500.00		2,500.00		
Fines/Compliance	7,400.00		7,400.00		Reflects actuals over recent years.
Legal Expense	40,000.00		40,000.00		Legal fees charged to homeowner accounts.
NSF/Bank Fees	430.00		430.00		Reflects actuals over recent years.
Lien Release Fee	2,400.00		2,400.00		
Notice of Intent to Lien Charge	3,400.00		3,400.00		Reflects actuals over recent years.
Interest on Past Due	6,000.00		6,000.00		Reflects actuals over recent years.
Administrative Notice Fee	6,900.00		6,900.00		Reflects actuals over recent years.
Certified Mail Fee	800.00		800.00		Reflects actuals over recent years.
TOTAL OPERATING Income	2,108,009.15		2,447,213.04		
EXPENSES					
<u>Bad Debt/Doubtful Accounts</u>					
Bad Debt/Doubtful	17,250.00	0.56	12,000.00	0.35	Creates a cushion to offset assessment income that may not be received in 2024. Based on 16 owners.
TOTAL Bad Debt/Doubtful	17,250.00	0.56	12,000.00	0.35	

**Sunrise Master Association
2024 Budget**



	2023 Budget	<i>Per Unit/Mo</i>	2024 Budget	<i>Per Unit/Mo</i>	
Operating Fund					
<u>Administrative</u>					
Bank Fees	300.00	0.01	300.00	0.01	Offset by NSF Fees charged to owner accounts.
Strongroom	850.00	0.03	900.00	0.03	Third party account payable system. Charged per invoice. Based on 2023 actuals.
Security	204,958.00	6.63	275,000.00	8.14	Off duty Sheriff Deputy patrols and private security throughout the parks in the SMA.
Accounting Services	3,700.00	0.12	3,800.00	0.11	Annual Audit and Federal Tax Preparation
Insurance Expense	25,859.00	0.84	27,611.50	0.82	Expect up to 15% increase over 2023-2024 Policy Premium
Lien Fees	8,160.00	0.26	8,160.00	0.24	Reimbursable expense (NOILC fees and Lien Fees)
Legal	55,000.00	1.78	55,000.00	1.63	Reimbursable fees offset by legal expense income. Includes general council.
Management Contract	420,704.00	13.61	437,820.00	12.95	Four full-time staff members, and looking to add a fifth.
Fees and Licenses	1,500.00	0.05	1,500.00	0.04	Splash pad permit plus state and federal filing fees.
Reserve Study	1,750.00	0.06	2,320.00	0.07	Annual reserves study.
Office Expense	4,500.00	0.15	4,500.00	0.13	
Clubhouse and Office Cleaning	12,000.00	0.39	12,000.00	0.35	Clubhouse, office, park restrooms, carpet cleaning.
Office Equipment	7,000.00	0.23	7,000.00	0.21	Copier lease, furniture, computers, phones.
Postage	12,500.00	0.40	12,500.00	0.37	
Printing Costs	12,500.00	0.40	12,500.00	0.37	
Website	3,000.00	0.10	3,600.00	0.11	2% increase expected from Vendor
Storage Unit	1,707.00	0.06	1,981.35	0.06	5% increase expected from Vendor.
Special Events	15,000.00	0.49	20,000.00	0.59	Offset by Special Events Income.
Clubhouse Supplies	1,541.00	0.05	1,541.00	0.05	
Gate Fob Expense	800.00	0.03	-	-	Offset by Gate Fob income. No fobs are expected to be purchased from the vendor in 2024 due to a surplus in fobs at the office.
TOTAL Administrative	827,829.00	26.78	888,033.85	26.27	
<u>Landscaping/Grounds</u>					
Splash Pad Maintenance	15,110.00	0.49	15,110.00	0.45	Bi-weekly routine maintenance in-season, start-up, winterization and emergency maintenance of the system.
Splash Pad Supplies	5,000.00	0.16	5,000.00	0.15	CO2 Gas for system, chemical testing reagents, chemicals, etc.
Landscape Non Contract	29,300.00	0.95	29,300.00	0.87	Add flower beds at new monuments. Add flower bed around park monument.
Landscape Contract	675,000.00	21.84	695,250.00	20.57	3% Agreed Upon Increase for a 2 year contract
Tree Maintenance	25,000.00	0.81	25,000.00	0.74	Removal of dangerous trees as determined by tree expert.

**Sunrise Master Association
2024 Budget**



	2023 Budget	<i>Per Unit/Mo</i>	2024 Budget	<i>Per Unit/Mo</i>	
Operating Fund					
Irrigation Repairs/Upgrades	50,000.00	1.62	34,050.00	1.01	Irrigation system upgrades to aging systems.
TOTAL Landscaping/Grounds	799,410.00	25.86	803,710.00	23.78	
Non-Operating					
Reserve Contribution	306,000.00	9.90	307,200.00	9.09	25,600 per mo per reserves study recommendations
TOTAL Non-Operating	306,000.00	9.90	307,200.00	9.09	
Repairs and Maintenance					
General Repairs	2,500.00	0.08	2,500.00	0.07	
Unexpected Maintenance	3,000.00	0.10	3,000.00	0.09	
Severe Weather	3,000.00	0.10	3,000.00	0.09	Snow & Ice removal.
Signage	3,000.00	0.10	1,500.00	0.04	Update park signs
Fences	2,000.00	0.06	2,000.00	0.06	Repairs for wood fences maintained by SMA
Maintenance Supplies	4,000.00	0.13	4,000.00	0.12	Dog waste bags, trash bags, dog stations
Fire Test	200.00	0.01	200.00	0.01	
Pond	12,336.00	0.40	13,100.41	0.39	Inc. of 3% in contract pricing
Playground Maintenance	5,000.00	0.16	5,000.00	0.15	Multiple playgrounds - maintenance and safety updates.
Storm Drain Maintenance	3,500.00	0.11	3,500.00	0.10	Can be partially offset by income.
HVAC Maint Contract	3,000.00	0.10	3,000.00	0.09	Aging system at Clubhouse.
TOTAL Repairs and Maintenance	46,090.40	1.49	40,800.41	1.21	
Taxes					
Taxes Real Estate	4,500.00	0.15	1,880.79	0.06	Adjusted per PC Auditor valuations.
Taxes Federal	500.00	0.02	500.00	0.01	
TOTAL Taxes	5,000.00	0.16	2,380.79	0.07	
Utility					
Water	228,876.00	7.40	288,000.00	8.52	A 4.2% rate increase and addition of irrigated common areas in Liberty Ridge.
Electricity	95,128.00	3.08	97,097.99	2.87	A 1.7% rate increase
Telephone	5,400.00	0.17	5,400.00	0.16	Internet, hotspots for cameras and splash pad, telephone service
Sewer	1,356.00	0.04	2,590.00	0.08	Sunrise Park and Clubhouse
TOTAL Utility	330,760.00	10.70	393,087.99	11.63	

**Sunrise Master Association
2024 Budget**



	2023 Budget	<i>Per Unit/Mo</i>	2024 Budget	<i>Per Unit/Mo</i>	
Operating Fund					
TOTAL EXPENSES	2,332,339.40	75.45	2,447,213.04	72.39	
<i>Net Revenue / Expense</i>	<i>(224,330.25)</i>		<i>0.00</i>		

Sunrise Master Association
2024 Reserves Fund



2023 Reserve Recommended Expenditures	
	<u>Recommended</u> <u>Inc/Exp</u>
INCOME	
Investment/Interest Income	1,500.00
Reserve Income (Transferred from Op)	306,000.00
TOTAL Income	307,500.00
EXPENSES	
Monument Replacements/Repairs	25,750.00
Concrete Fence Repairs	7,500.00
Tanglewood Basket Ball Court Repairs	1,750.00
Basket Ball Equipment Repairs	12,900.00
Building Exteriors Paint/Caulk	9,350.00
Office Equipment	2,000.00
EP Court - Repairs	3,400.00
Irrigation Pump Southpoint	1,700.00
Irrigation Pump Southwood	1,650.00
Asphalt Seal and Repair (new park)	10,100.00
TOTAL Expenses	76,100.00

2024 Reserve Recommended Expenditures	
	<u>Recommended</u> <u>Inc/Exp</u>
INCOME	
Investment/Interest Income	1,500.00
Reserve Income (Transferred from Op)	307,200.00
TOTAL Income	308,700.00
EXPENSES	
Metal Fence - Clean/Treat/Paint	8,035.00
Entry Monument - Repair/Replace	26,500.00
Deer Ridge Fence Replace	139,000.00
The Arbors - Clean/Stain Fence	7,725.00
Tanglewood Court Seal/Repair	1,805.00
Tennis Court Seal/Repair	13,300.00
Clubhouse Bball Court Seal/Repair	6,595.00
Basketball Equip. Repairs	13,300.00
EP Bball Court Seal/Repair	3,505.00
Irrigation Pump (Retreat 5) Replace	3,400.00
Irrigation Pump (S.Point) Replace	1,750.00
Sunrise Park Asphalt Sealcoat/Repair	10,405.00
TOTAL EXPENSES	235,320.00

The Sunrise Master Association has a Reserve Study for 2024 that meets the requirements of RCW 64.90.550

Recommended Reserve Contribution:	<u>\$ 307,200.00</u>
Actual Budgeted Reserve Contribution:	<u>\$ 307,200.00</u>
Shortfall between budget & recommendation:	<u>\$ -</u>
Reserve Study recommended Fully Funded balance:	<u>\$ 1,178,591.00</u>
Actual Reserve Account balance at time of study:	<u>\$ 907,756.00</u>
Deficiency in reserves total:	<u>\$ (270,833.00)</u>
Deficiency in Reserves per Class A unit:	<u>\$ (96.00)</u>
Deficiency in Reserves per Class B unit:	<u>\$ (48.00)</u>

A copy of the Sunrise Master Association 2024 Reserve Study is available on the Sunrise Master Association website at www.sunrisemasterassociation.com

Cambria at Sunrise

2024 Specific Assessment Budget



Cambria at Sunrise has private roads, sewers, and sidewalks specific to the owners therein. A Reserves Fund has been established for the repairs and maintenance of the private elements. Cambria also has expenses that do not qualify to be paid from Reserves. The Specific Assessment covers those expenses as well as Reserve funding.

		2023 Budget	Per Unit/Mo	2024 Budget	Per Unit/Mo	
	Cambria Specific Assessment					
1	INCOME					
	Specific Assessment	23,250.00	20.83	26,784.00	24.00	\$288.00 @ 93 Units
2	Investment/Interest Income	-	-	-		
3	TOTAL Income	23,250.00	20.83			
	EXPENSES					
	Bad Debt/Doubtful	-	-	689.00	0.62	
4	Reserve Study	500.00	0.45	620.00	0.56	
6	Severe Weather	475.00	0.43	475.00	0.43	De-icing (if not needed will be added to Reserves)
7	Reserve Contribution	22,275.00	19.96	25,000.00	22.40	Does not meet recommended funding levels.
8	TOTAL Expenses	23,250.00	20.83	26,784.00	24.00	

Cambria at Sunrise has a Reserves Study for its private elements that meets the requirements of RCW 64.90.550.

The 2024 Reserves Study Funding does not meet the recommendations of the Reserve Study.

Recommended Reserve Contribution:	<u>\$ 37,650.00</u>
Actual Budgeted Reserve Contribution:	<u>\$ 25,000.00</u>
Shortfall between budget & recommendation:	<u>\$ (12,650.00)</u>
Reserve Study recommended Fully Funded balance:	<u>\$ 195,727.00</u>
Actual Reserve Account balance at time of study:	<u>\$ 3,399.00</u>
Deficiency in Reserves total:	<u>\$ (192,328.00)</u>
Deficiency in Reserves per unit (93 units):	<u>\$ (2,068.04)</u>

A copy of the Cambria at Sunrise 2024 Reserve Study is available on the Sunrise Master Association website at

www.sunrisemasterassociation.com

Emerald Pointe at Sunrise
2024 Operating Fund Budget



Emerald Pointe at Sunrise has private roads and other elements exclusive to the owners therein. A Reserves Fund has been established for the major repairs and maintenance of the private elements. Emerald Pointe also has routine expenses to maintain and operate the private elements, so Sunrise established an operating account for Emerald Pointe. The Specific Assessment will fund operating and reserves.

The Specific Assessment is based on 466 Unit Owners and will be \$227 per unit, due on April 1, 2024.

		<i>2023 Budget</i>	<i>Per Unit/Mo</i>	<i>2024 Budget</i>	<i>Per Unit/Mo</i>	
	Operating Fund					
	INCOME					
1	Specific Assessment	105,782.00	18.92	105,782.50	18.92	466 Units @ \$227
2	<u>TOTAL OPERATING INCOME</u>	105,782.00	18.92	105,782.50	18.92	
	EXPENSES					
	Administrative					
3	Bad Debt/ Doubtful Accounts	5,221.00	0.93	4,540.00	0.81	Creates a cushion to offset assessment income that may not be received in 2024. Based on 20 owners who may not pay.
4	Admin Expense - EP	2,307.00	0.41	2,307.00	0.41	Administration of the Emerald Pointe Funds. 466 owners at \$4.95 per owner.
5	Reserve Study	570.00	0.10	630.00	0.11	Annual reserves study. Quoted rate for new three year plan from vendor.
6	<u>Total Administrative</u>	8,098.00	1.45	7,477.00	1.34	
	Gate					
7	Gate Repairs	10,000.00	1.79	10,000.00	1.79	Bi-annual maintenance of 4 gates and monthly service calls for 3 hours of technician time.
8	Gate Telephone	2,000.00	0.36	2,250.00	0.40	Based on average monthly bill.
9	Gate Code Admin	425.00	0.08	483.50	0.09	Amount for 2023 annual DoorKing subscription.
10	Gate Electricity	448.00	0.08	350.00	0.06	PSE is having a 1.7% increase in 2024, and looking at actual bills in 2023.
11	<u>Total Gate</u>	12,873.00	2.30	13,083.50	2.34	
						<i>Continued on page 2 --></i>

**Emerald Pointe at Sunrise
2024 Operating Fund Budget**



	Non-Operating					
12	Reserve Contribution	92,400.00	16.52	92,400.00	16.52	Recommended fully funded contribution.
13	Total Non-Operating	92,400.00	16.52	92,400.00	16.52	
	Repairs & Maintenance					
14	Severe Weather	2,300.00	0.41	2,500.00	0.45	Increase due to demand and CPI.
14	Unexpected Maintenance	-	-	500.00	0.09	
15	Total Repairs & Maintenance	2,300.00	0.41	3,000.00	0.54	
	TOTAL EXPENSES	115,671.00	20.69	115,960.50	20.74	
16	<i>Net Income/Expenses</i>	(9,889.00)	(1.77)	(10,178.00)		
17	Projected Operating Bal Year End	-		10,178.00		Carried over per Specific Assessment Policy and covers the deficit.

Emerald Pointe at Sunrise has a Reserves Study that meets the requirements of RCW 64.90.550.

Recommended Reserve Contribution:	<u>\$ 92,400.00</u>
Actual budgeted Reserve Contribution:	<u>\$ 92,484.00</u>
Shortfall between budget & recommendation:	<u>\$ -</u>
Reserve Study recommended Fully Funded balance:	<u>\$ 480,888.00</u>
Actual Reserve Account balance at time of study:	<u>\$ 155,285.00</u>
Deficiency in Reserves total:	<u>\$ (325,603.00)</u>
Deficiency in Reserves per unit (466 units):	<u>\$ (698.72)</u>

A copy of the 2024 Emerald Pointe at Sunrise Reserve Study is available on the Sunrise Master Association website at www.sunrisemasterassociation.com

Emerald Pointe West at Sunrise
2024 Budget



Emerald Pointe West at Sunrise has private roads and related elements exclusive to the owners therein. A Reserves Fund was established in 2023 for the major repairs and maintenance of the private elements. Certain expenses (de-icing) are not eligible to be paid from Reserves. Those expenses are budgeted into the Specific Assessment in addition to Reserve Funding.

The Specific Assessment is based on 72 Unit Owners and is \$138.00 per owner, due on April 1, 2024.					
	2023 Budget A	Per Unit/Mo	2024 Budget	Per Unit/Mo	
INCOME					
Specific Assessment	8,640.00	10.00	9,936.24	11.50	\$138 @ 72 owners
TOTAL INCOME	8,640.00	10.00	9,936.24	11.50	
EXPENSE					
Bad Debt/ Doubtful	-	-	240.00	0.31	Creates a cushion to offset assessment income that may not be received in 2024. Based on 2 owners who have not paid 2023 Specific Assessment.
Severe Weather	760.00	0.88	806.24	0.88	Snow and Ice
Reserve Study	1,580.00	1.82	790.00	0.91	Annual Reserve Study Update
Non-Operating Expense					
Reserve Contribution	6,300.00	7.29	8,100.00	9.38	\$675 per mo per Reserve Study recommendation
TOTAL EXPENSE	8,640.00	10.00	9,936.24	11.50	
<i>Net Revenue / Expense</i>					

Emerald Pointe West at Sunrise has a Reserve Study of the private elements in the community that meets the requirements of RCW 64.90.550.

Recommended Reserve Contribution:	\$ 8,100.00
Budgeted reserve Contribution:	<u>\$ 8,100.00</u>
Shortfall between budget & recommendation:	<u>\$ -</u>
Reserve Study recommended Fully Funded balance:	<u>\$ 16,968.00</u>
Actual Reserve Account balance at time of study:	<u>\$ 6,411.00</u>
Deficiency in Reserves Total:	<u>\$ (10,557.00)</u>
Deficiency in Reserves per Unit (72 units):	<u>\$ (147.00)</u>

A copy of the 2024 Emerald Pointe West at Sunrise Reserve Study is available on the Sunrise Master Association website at www.sunrisemasterassociation.com