



Sunrise Master Association

15807 134th Avenue East

Puyallup, WA 98374

Phone: 360-872-8137

Email: smaadmin@comcast.net

DATE: October 25, 2024

TO: Sunrise Master Association Homeowners

FROM: Sunrise Master Association Board of Directors

RE: Notice of 2025 Budget Ratification Meeting

2025 Budget Ratification Meeting

Wednesday – November 19, 2024 – 6:00 PM

Zoom Meeting: <https://bit.ly/SMA2025BUDGETMTG>

The 2025 Budget has been finalized and approved by the Sunrise Board of Directors as recommended by the 2025 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/SMA2025BUDGETMTG>. If you need to call in, please contact the office for the call-in number.

MEETING AGENDA for November 19, 2024

- Call Meeting to Order/ Confirmation of Quorum
- Approve 2024 Budget Ratification Meeting Minutes
- Presentation of the 2025 Budget
- Homeowner Budget Related Questions & Comments
- 2025 Budget Ratification Vote
- Adjournment

2025 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 2025 SMA Assessment is set at **\$800.00** per unit for Class A (Single Family Unit Owners) and **\$400.00** per unit for Class B (multi-family apartment owners). The SMA Assessment is due in full on **January 1, 2025**. Assessment payments received after January 10, 2025, 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 2025 annual assessment courtesy statement for \$800.00 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, 2025, and are considered delinquent if not received by April 10, 2025.

2025 Specific Assessments:

- Cambria \$288.00
- Emerald Pointe \$237.00
- Emerald Pointe West \$140.00

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 seven-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 \$66.67 per month and do not need to do anything.*



2024 Budget Ratification Meeting

Minutes

November 15, 2023

Zoom Meeting

The Sunrise Master Association 2024 Budget Ratification Meeting of the homeowners was held on November 15, 2023, by Zoom. Board Members Sloan Clack, Brenda Pearson, Adina Spencer, Jordan Schenk, and Monica Gildea attended. Association Management, Ashley Willey, Angel Smalling, Lauren Oster, Jessica Anderson, and HOA Community Solutions were also in attendance.

President Sloan Clack called the meeting to order at 6:04 p.m.

Confirmation of Quorum per Class.

- Class A: Five (5) homeowners were in attendance. A list of owners in attendance is on file. A quorum of the Class A membership was not achieved, with 5 of 2,662 units in attendance. (.001126%)
- Class B: The Class B Board Representative is a proxy for 312 Class B units. Class B achieved quorum with 384 of 612 units in attendance. (62%)
- Class C: The Class C Board Representative is a proxy for 1,454 Class C units. Class C achieved quorum with 1,454/1,454 units in attendance. (100%)
- Based on the attendance of the meeting, a quorum of 35% (1,655/4,728) was achieved to conduct business of the Association.

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.

The motion to approve the 2023 Budget Ratification Meeting minutes made by Sloan Clack, seconded by Brenda Pearson, passed with unanimous approval from those present.

Presentation of the 2024 Budget given by Lauren Oster.

Homeowner Questions/ Comment

- David Wynne – Asked about the possibility of converting Deer Ridge into a gated community and about snow plowing in the community.

2024 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% (2412/4728) of the votes in the Association were not present at the

meeting, the 2024 Budget was ratified as approved by the Sunrise Master Association Board of Directors on October 17, 2023.

Motion to adjourn the 2023 Budget Ratification Meeting made at 6:34 p.m. by Sloan Clack, seconded by Brenda Pearson, passed by unanimous approval of those present.

Approved:

Sloan Clack, President

Brenda Pearson, Secretary



Sunrise Master Association

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2025 Sunrise Master Association Budget Summary

The 2025 Sunrise Master Association (SMA) Budget Committee (the Committee) homeowner members Brenda Pearson, Abdul Khan, Nancy Allo, Anetor Ebea, Dave Smyth, and Lisa Moore met weekly in late August through the first week of October in 2024. The Committee thoroughly reviewed the projected expenses for 2025, as well as the historic expenses, vendor contract pricing, and 2025 revenue sources. The Committee's recommendations were presented to the Board of Directors, and the 2025 Sunrise Master Association Budget was adopted on October 15, 2024.

Operating Budget Review and Recommendations

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 to maintain, means that the Association is experiencing increases in many expense categories. At the same time, home resales and new construction are slowing, decreasing the Association's revenues from Conveyance Contributions and new assessments.

After carefully projecting expenses, the Total Expenses as budgeted are increasing from \$2,447,213.04 in 2024 to \$2,724,732.76 in 2025, an overall increase of \$277,519.72. One hundred eighty-four (184) Class B units were added in 2024, bringing the January 1, 2025, Class A equivalent unit count to 3,065. This increases the per unit/per month costs by \$2.09. However, like in 2024, income from Conveyance Contributions is projected to be low due to a softening housing market and will only increase by \$1,400.00 in 2025 from 2024, but is much lower than the amounts seen in 2021 and 2022. To cover expenses, the Annual Assessment would need to increase from \$775 to \$800 per Class A unit and from \$387.50 to \$400 per Class B unit.

Further recommendations are:

- Use a portion of the retained earnings to fund reserves.
- Retain at least \$680,000 in operating to cover three months of operating expenses and provide a contingency cushion.
- Make improvements to the community by updating community monuments, upgrading playgrounds, and installing irrigation in non-irrigated common areas.
- Continue working with the Association's vendors to get the best value for contracts and utilize changes to help modernize systems. One example is modernizing the irrigation system with better sensors that turn off parts of the system when there is an irrigation break.

The following are explanations for the significant line-item changes in each budget category.

Assessment Income:

- *Conveyance Contributions* – A Conveyance Assessment equal to the current year's Regular Assessment is paid by the purchaser at every conveyance (sale). Conveyance Assessment Income has been a significant source of income in Sunrise for the last five years due to an unprecedented number of new home builds and a strong home sales market. However, new



builds in Sunrise will continue to slow in 2025, and resales are predicted to be about a third of the amount compared to resales in 2022. The Committee recommends basing Conveyance Contribution income on 158 units in 2025 based on anticipated plat development and home sales. This will slightly increase the Conveyance Contribution Income budget line to \$126,400 in 2025 compared to the \$125,550 budgeted in 2024 but is still much lower than the \$309,530 budgeted in 2022.

- *Assessment Income* – Regular Assessments are calculated by dividing the projected expenses by the number of units less other income sources. To fully support the budgeted expenses, the Regular Assessments would need to be set at \$800 per unit for the Class A owners (single family) and at \$400 per unit for the Class B owners (multifamily rental structures). This will increase assessment income from \$2,194,800 in 2024 to \$2,452,000.00 in 2025.
- *Savannah Special Benefits* – This is a Special Assessment billed to specific Savannah Ridge homeowners. It is set based on bids collected and provided to the Association by the homeowners.

Other Income:

- *Community Center Rental* – Includes the park picnic shelter and the clubhouse rentals. Remains at \$6,500 due to the picnic shelter rentals.
- *Special Events Income* – Increase from \$2,400 in 2024 to \$3,000 in 2025 for National Night Out and Small Business Saturday vendor booth rentals.
- *Easement Fee* – Charged to Emerald at Sunrise HOA for an easement over the SMA common area. Increase by CPI to \$1,377.48.
- *Admin Fee EP* – Charged to Emerald Pointe owners and paid for through their Specific Assessment to manage special assessment and gates.
- *Investment Interest Income* – Increase from \$4,000 in 2024 to \$12,000 in 2025. This is based more on actuals collected in 2024 while also considering this is not something to continuously count on as it is based on bank account balances which can change rapidly due to Association spending.
- *Gate Fob Income* – Reimbursements for gate fobs purchased by Emerald Pointe owners. Remain at \$500 because new builds are completed.
- *Delinquency Related Income* – Income related to delinquencies includes Late Charges, Lien Recording Fees, Lien Release Fees, Notice of Intent to Lien Charge, Interest on Past Due, Administrative Notice Fee, and Certified Mail Fee. 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. Increase the 2025 combined budget items for all Delinquency income to \$60,634.35 in 2025 from \$54,830.00 in 2024, based on the average of the actual cash received from these line items over the last five years.
- *Legal Expense* – Legal Fee Expense income is based on legal fees charged to homeowner accounts for collections or compliance related legal fees. It will remain at \$40,000 in 2025 based on an average of the actual cash received in this line item over recent 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. Increase to \$7,752.17

in 2025 based on an average of actual cash received over the last five years, less outliers from daily fines levied for rental restriction violations.

Expense by Category:

Bad Debt/Doubtful Accounts

Bad Debt/Doubtful Accounts – The Association’s accounting is on an accrual basis, so income is booked when billed rather than received. This line item offsets Assessment Income for assessment income unlikely to be received in 2025. The Sunrise Master Association consistently experiences less default on Assessments at 0.375% than the national default rate of 3.97%). Remain at \$12,000 in 2025, based on 15 owners who may not pay their assessments in 2025.

Administrative Expenses

- *Security* – Increase from \$275,640 in 2024 to \$276,640 in 2025. This includes the private security at the parks and Pierce County Sheriff Deputies.
- *Legal Fees* – Remain at \$55,000 in 2025 based on actuals over the last three years.
- *Management* – Increase from \$437,820 in 2024 to \$469,914.06 in 2025 for additional staff needed because of the growth in Sunrise.
- *Fees and Licenses* – Increase from \$1,500 in 2024 to \$3,250 in 2025 for the Splash Pad Permit, licenses for events, and other required State and Federal filings.
- *Reserve Study*—The Association is in its second year of a three-year loyalty plan with the Reserve Study Vendor. Based on the actual annual charge for 2024, the amount will decrease to \$2,200 in 2025.
- *Special Events* – Remaining at \$20,000 in 2025 due to adding new communities and the Events Committee’s commitment to add new events for the community to enjoy. This is partially offset by the income received for National Night Out and Small Business Saturday.
- *Leases* – Added a new line item for the Sunrise Park lease. Moving from an oral to a written lease for use of the grounds and facilities.

Landscaping / Grounds

- *Splash Pad Supplies* – Decrease from \$5,000 in 2024 to \$3,000 in 2025 based on calculations of consumables use, assuming the Splash Pad is operational all Summer.
- *Tree Maintenance* – Increase from \$25,000 in 2024 to \$45,000 in 2025 due to additional wetland areas adjacent to homes in new communities and the removal of dead/dangerous trees from common areas throughout the Association.
- *Landscape Maintenance Contract* – Increase from \$695,250 in 2024 to \$742,858.46 in 2025 due to a CPI increase in the contract pricing with the current landscaping vendor, and additional areas being added to the contract.
- *Irrigation Repairs/Upgrades* – Decrease from \$34,050 in 2024 to \$25,000 based on actual costs for irrigation repairs in the past 2 years.

Non-Operating (Reserves Funding)

- *Reserve Contribution* – Increase the monthly reserves contribution to \$31,400 per the reserves study recommendation.

Repairs and Maintenance

- *Pond Maintenance*—This will increase from \$13,100.41 in 2024 to \$21,000 in 2025 because all three fountains will undergo routine factory maintenance in 2025. This amount also includes a 5% increase in contract pricing over 2024.
- *Severe Weather* – Remain at \$3,000 in 2025 due to the demand for services.
- *HVAC Maintenance Contract* – Remain at \$3,000 in 2025 due to an aging system at the Clubhouse needing frequent repairs.
- *Maintenance Supplies* – This line item primarily covers dog waste bags and trash bags. Increase from \$4,000 in 2024 to \$4,500.00 in 2025 based on actual spending in this line item in 2024.

Taxes

- *Taxes Real Estate* – Increase from \$1,880.79 in 2024 to \$12,000 in 2025 based on property tax evaluations.
- *Taxes Federal* – Increase from \$500 in 2024 to \$8,000 in 2025 based on actual taxes being paid. There were changes made to the tax laws in 2023, meaning the Association has seen a higher amount of taxes being owed.

Utility

- *Water* – Increase from \$288,000 in 2024 to \$300,000 in 2025 because TPU has announced a 3.5% increase beginning January 1, 2025, and the addition of common areas.
- *Electricity*— Increase from \$97,097.99 in 2024 to \$120,224.31 in 2025 because of the addition of streetlights and irrigation meters in several new communities and the Park and PSE’s projected 6.7% increase beginning January 1, 2025.
- *Telephone* – Increase from \$5,400 in 2024 to \$5,600 in 2025 because of the cellular hot spots for the cameras and the splash pad water monitoring at the park. This line item also covers the main office's internet and telephone system.
- *Sewers*—The actual bills show an increase from \$2,590 in 2024 to \$4,000 in 2025. Water from the splash pad is included in sewer billing. The 4,000-gallon tank must be dumped and replenished according to the Health Department codes.

Sunrise Master Association 2025 Reserves Funding Recommendations

The Sunrise Master Association has a Reserve Study for 2025 that meets the requirements of RCW 64.90.550. The Committee recommends that the SMA contribute \$376,800 to the Reserves Fund per the Reserve Study Specialist Recommendation.

Emerald Pointe at Sunrise 2025 Specific Assessment Budget Review and Recommendations

The Emerald Pointe owners have private streets, gates, and other related elements specific to their development. The Sunrise Master maintains these elements, and the costs to maintain them are passed back to the owners as a Specific Assessment. In 2022, a Reserve Account was set up to save toward major repairs and maintenance. The Budget Committee reviewed the 2025 projected expenses and reserve recommendations.

Each year, a reconciliation is completed with owners paying a Specific Assessment for the upcoming year budgeted expense, plus any funds owed to the SMA, less any funds remaining in the account at year end.

The 2025 Total Expenses are predicted to be \$119,116.66, including Reserves Account funding and the remaining funds are expected to be about \$8,674.66. The Committee recommends a Specific Assessment of \$237 per owner, due on April 1, 2025, for a Total Income of \$110,442.00. This is an increase from the 2024 Specific Assessment rate of \$227 per owner.

The account will be reconciled at year-end and the actual assessment will be calculated based on actual expenses.

Expenses

- *Bad Debt/Doubtful Accounts* – This line item creates a cushion to offset income that may not be received in 2025. There are currently 20 owners who have not paid the 2024 Specific Assessment. Increase this line item from \$4,540 in 2024 to \$4,544.66 in 2025.
- *Gate Repairs* – Security Gates and Access (SGA) is the current vendor for gate maintenance in the community and does not project to have an increase in rates in 2025. This line item includes gate repairs as well as preventative maintenance. Remain at \$10,000 in 2025.
- *Gate Telephone* – Increase from \$2,250 in 2024 to \$2,400 in 2025 based on current bills.
- *Gate Code Admin* – Increase from \$483.50 in 2024 to \$525 due to the increase in the gate program cloud service provider.
- *Reserve Contribution* – Increase from \$92,400 in 2024 to \$94,560 in 2025 based on Reserve Specialist Recommendation.
- *Severe Weather* – This is for ice and snow removal. Remain at \$2,500 in 2025.
- *Unexpected Maintenance* – Payment to vendors for street signs that need repair.
- *Signage* – Replacement of street signage in the community.

Emerald Pointe West at Sunrise 2025 Specific Assessment Budget Review and Recommendations

The Emerald Pointe West (EPW) is a new development within the Sunrise Master Association. The development has private streets and other related elements specific to the development. The SMA maintains these elements, and the costs to maintain them are passed back to the EPW owners as a specific assessment. In 2023, a Reserve Account was set up to save toward major repairs and maintenance.

The 2025 Total Expenses are predicted to be \$10,080, including Reserves funding. The only income is from the Specific Assessment, and the Committee is recommending a Specific Assessment of \$140 per owner to cover the expenses.

Expenses

- *Reserve Study* - \$770 for the 2025 study per proposal received from Association Reserves.
- *Severe Weather* – Decrease from \$806 in 2024 to \$734 in 2025 for snow and ice removal. This is very unpredictable in the PNW.
- *Reserve Contribution* - \$8,300 per the Reserve Specialist Recommendation.

Cambria at Sunrise 2025 Specific Assessment Budget Review and Recommendations

Cambria is a development within the Sunrise Master Association with private roads, sidewalks, and related elements specific to the development. The SMA maintains these elements, and the costs to maintain them are passed back to the owners in Cambria as a specific assessment. In 2022, a reserve account was opened to begin saving toward major repairs.

The 2025 Total Expenses are projected to be \$26,784, including Reserve Account funding. The Specific Assessment is \$288 per owner for a total income of \$26,784. This is far below the recommended funding levels.

The Committee recommends that homeowners be given a year's reprieve from an increase as there are not many Reserve-type projects needed to be completed in Cambria in 2025.

Expenses

- *Severe Weather* – Remain at \$474 in 2025 for snow/ice removal.
- *Reserve Contribution* – Decrease from \$25,000 in 2024 to \$22,775 in 2025. This funding is below the recommended funding levels. The Reserve Study recommends a contribution of \$29,700 due to the age and deterioration of the components.

Sunrise Master Association
2025 Budget

Projected Unit Count on January 1, 2025: Class A (Single Family) 2,741; Class B (Apartments) 648. The equivalent of 3,065 Class A Units					
	2024 Budget	<i>Per Unit/Mo</i>	2025 Budget	<i>Per Unit/Mo</i>	
Operating Fund					
INCOME					
Assessment Income	2,194,800.00	64.58	2,452,000.00	66.67	Set at \$800 per unit. This would be a ~3% increase and be on par with local CPI and PPI, which are between 3.3 and 3.8%.
Community Center Rental	6,500.00		6,500.00		This includes the Picnic Shelter at Sunrise Park.
Conveyance Contributions	125,550.00		126,400.00		Set to assessment rate of \$800. There are less homes being built and sold in 2025.
Developer Assessment	15,000.00		15,000.00		
Special Events Income	2,400.00		3,000.00		Helps offset the Special Events expenses. These are booths at NNO and Small Business Saturdays.
Easement Fee	1,327.04		1,377.48		
Admin Fee - EP	2,306.00		2,306.00		
Investment/Interest Income	4,000.00		12,000.00		Not something to count on as this is based off amounts in the operating bank account. As money is spent or allocated to Reserve Funding this changes drastically.
Gate Fob Income	500.00		500.00		Offsets the gate fob expense. Fobs are \$50 each.
Savannah Special Benefits	0.00		5,014.93		100% paid for only by the Savannah Special Benefits owners.
Late Charges	25,000.00		27,000.00		Again not something to count on as this is "bad behavior" but is closer to what has actually been collected each year.
Lien Recording Fees	2,500.00		4,000.00		Offsets the Lien Fees. Only paid by those who have liens on their property.
Fines/Compliance	7,400.00		7,752.17		Bad Behavior and should not be counted on as income. This is closer to what has actually been collected on average from the last three years.
Legal Expense	40,000.00		40,000.00		Income collected from accounts in Collections.
NSF/Bank Fees	430.00		430.00		Offsets the bank fees.
Lien Release Fee	2,400.00		4,000.00		Offsets Lien Fees
Notice of Intent to Lien Charge	3,400.00		3,400.00		This is an item charged back by the management company and is a hard cost to the Association. Should always even out.
Interest on Past Due	6,000.00		6,352.18		Bad Behavior item that should not be counted on but is closer to what has actually been collected on average.
Administrative Notice Fee	6,900.00		6,900.00		Bad Behavior item that should not be counted on but is closer to what has actually been collected on average.
Certified Mail Fee	800.00		800.00		Bad Behavior item that should not be counted on but is closer to what has actually been collected on average.
TOTAL OPERATING Income	2,447,213.04	64.58	2,724,732.76		
EXPENSES					
Bad Debt/Doubtful Accounts					
Bad Debt/Doubtful	12,000.00	0.35	12,000.00	0.33	
TOTAL Bad Debt/Doubtful	12,000.00	0.35	12,000.00	0.33	

Sunrise Master Association
2025 Budget

	2024 Budget	Per Unit/Mo	2025 Budget	Per Unit/Mo	
Operating Fund					
<u>Administrative</u>					
Bank Fees	300.00	0.01	300.00	0.01	Charge from the bank when there is a returned payment for any reason. This is a hard cost to the Association. Is offset by charging the homeowner a returned payment fee.
Strongroom	900.00	0.03	1,100.00	0.03	AP system used by the Association
Security	275,000.00	8.09	276,640.00	7.52	~\$105,130.00 for PCSD covering every single day with one 4 hour shift. VSO proposing a 3% increase based on current contract if renew early or it will be a 5% increase in November. ~\$172,706.28, Security cameras are \$110 per month
Accounting Services	3,800.00	0.11	4,200.00	0.11	Newman CPA conducts the Audit for the Association each year and also handles the federal taxes.
Insurance Expense	27,611.50	0.81	27,000.00	0.73	Insurance Premium Renewal = \$25,000. Add \$ to cover events that need extra coverage. (NNO, small business Saturday, movie night, etc.)
Lien Fees	8,160.00	0.24	6,000.00	0.16	Offset by Lien Recording/Release Income collected by the Association from accounts in Collections.
Legal	55,000.00	1.62	55,000.00	1.50	Partially offset by payments from accounts in collections. This is also for General Counsel for the Association.
Management Contract	437,820.00	12.88	469,914.06	12.78	Increases by CPI in January of each year with a maximum allowance of 6% increase for management contract. This max % increase does not apply to salaries of staff in the office. HOA-CS is calling for a 4% increase in fees. Adding 1 FT in 2025.
Leases	0.00	0.00	48,000.00	1.31	Sunrise Park Lease \$4,000 per month.
Fees and Licenses	1,500.00	0.04	3,250.00	0.09	Movie Licenses for Events = ~\$550 each time, Splash Pad fees, Canva, Survey Monkey, Zoom, Adobe, etc.
Reserve Study	2,320.00	0.07	2,200.00	0.06	2nd year of three year loyalty plan. Rate is fixed
Office Expense	4,500.00	0.13	4,500.00	0.12	
Clubhouse and Office Cleaning	12,000.00	0.35	12,000.00	0.33	
Office Equipment	7,000.00	0.21	4,000.00	0.11	
Postage	12,500.00	0.37	12,500.00	0.34	ARC Re-Write Project is ongoing and will be mailed to all homeowners.
Printing Costs	12,500.00	0.37	12,500.00	0.34	ARC Re-Write Project is ongoing and will be mailed to all homeowners.
Website	3,600.00	0.11	3,780.00	0.10	5% increase per Frontsteps
Storage Unit	1,981.35	0.06	2,500.00	0.07	The storage facility is under new management and was informed that there will be an increase in both insurance and fees to be expected around the December renewal.
Special Events	20,000.00	0.59	20,000.00	0.54	Is partially offset from Special Events income collected for NNO booths and Small Business Saturday booths.
Clubhouse Supplies	1,541.00	0.05	1,541.00	0.04	
Gate Fob Expense	0.00	0.00	1,000.00	0.03	Order approximately 30 new gate fobs. Is offset by income from gate fobs purchased by owners.
TOTAL Administrative	888,033.85	26.13	967,925.06	26.32	
<u>Landscaping/Grounds</u>					
Splash Pad Maintenance	15,110.00	0.44	15,110.00	0.41	
Splash Pad Supplies	5,000.00	0.15	3,000.00	0.08	Learning that not as many supplies are needed as previously budgeted for.

Sunrise Master Association
2025 Budget

	2024 Budget	Per Unit/Mo	2025 Budget	Per Unit/Mo	
Operating Fund					
Landscape Non Contract	29,300.00	0.86	25,000.00	0.68	
Landscape Contract	695,250.00	20.46	742,858.46	20.20	Adding in Liberty Ridge Phase 1 into the contract in October 2024. Per the discussion for the 2025 contract, the Association will only have a CPI increase for current areas and add the new areas to the contract starting in 2025.
Tree Maintenance	25,000.00	0.74	45,000.00	1.22	Need to review and possibly reallocate some charges to severe weather. The Board approved to increase up to \$45,000 in 2024. \$9,200 of this in the budget is for projects approved in 2022/2023.
Irrigation Repairs/Upgrades	34,050.00	1.00	25,000.00	0.68	
TOTAL Landscaping/Grounds	803,710.00	23.65	855,968.46	23.27	
Non-Operating					
Reserve Contribution	307,200.00	9.04	376,800.00	10.24	
TOTAL Non-Operating	307,200.00	9.04	376,800.00	10.24	<i>Per the Reserve Specialist recommendaation of \$31,400 per month for "Full Funding"</i>
Repairs and Maintenance					
General Repairs	2,500.00	0.07	5,000.00	0.14	Ageing buildings and many repairs to outbuilding at Sunrise Park
Unexpected Maintenance	3,000.00	0.09	5,000.00	0.14	Asking for an increase due to higher than normal repairs being needed around the clubhouse/office/park facilities
Severe Weather	3,000.00	0.09	3,000.00	0.08	Calling for a La Nina winter 2024-2025. Higher than normal chance for snowfall being forecasted by NOAA
Savannah Special Benefits	0.00	0.00	5,014.93	0.14	Contacted the owner responsible for obtaining bids. The bids received are the same as in 2024.
Signage	1,500.00	0.04	2,500.00	0.07	Updating signage around the Association to new logo.
Fences	2,000.00	0.06	2,000.00	0.05	Used to repair wood fencing around the Association.
Maintenance Supplies	4,000.00	0.12	4,500.00	0.12	
Fire Test	200.00	0.01	200.00	0.01	Annual Test
Pond	13,100.41	0.39	21,000.00	0.57	Fountains are due for a 5-year factory maintenance check this year. Each fountain to go to the factory is \$1,765.00 not including shipping or extra repairs. (\$13,100.41x5%)+(1765x3)+(~600x3) Shipping amount is unconfirmed but in 2020 it was \$450.
Playground Maintenance	5,000.00	0.15	7,500.00	0.20	Plan to repair multiple playground parts
Storm Drain Maintenance	3,500.00	0.10	3,500.00	0.10	
HVAC Maint Contract	3,000.00	0.09	3,000.00	0.08	Ageing system at the Clubhouse and Office
TOTAL Repairs and Maintenance	40,800.41	1.20	62,214.93	1.69	
Taxes					
Taxes Real Estate	1,880.79	0.06	12,000.00	0.33	The SMA is responsible for the property taxes of Sunrise Park.
Taxes Federal	500.00	0.01	8,000.00	0.22	Changes in tax law occurred in 2023 and the association will pay more in taxes due to the amount of interest being collected. 2024 Taxes are projected to be \$6,000.00
TOTAL Taxes	2,380.79	0.07	20,000.00	0.54	
Utility					

Sunrise Master Association
2025 Budget

	2024 Budget	<i>Per Unit/Mo</i>	2025 Budget	<i>Per Unit/Mo</i>	
Operating Fund					
Water	288,000.00	8.47	300,000.00	8.16	3.5% requested by TPU in 2025, Adding Liberty Ridge phase 1 into landscaping contract areas.
Electricity	97,097.99	2.86	120,224.31	3.27	PSE proposing 6.7% increase. Adding Liberty Ridge phase 1 into landscaping contract areas.
Telephone	5,400.00	0.16	5,600.00	0.15	Increaseing by approximately 3%
Sewer	2,590.00	0.08	4,000.00	0.11	Increase from \$4.92 per ccf x 33 to \$5.13 per ccf x 40 starting in January. Bills are one month behind (Feb bill is for Jan services.) In 2025, the rate will change to \$5.34 per ccf and a basic service charge will increase from \$18.42 to \$19.18
TOTAL Utility	393,087.99	11.57	429,824.31	11.69	
TOTAL EXPENSES	2,447,213.04	70.81	2,724,732.76	74.08	
<i>Net Revenue / Expense</i>			0.00		

Sunrise Master Association
2025 Reserves Fund

2024 Reserve Recommended Expenditures	
	Recommended Inc/Exp
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 Equipment Repairs	13,300.00
EP Basketball 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

2025 Reserve Recommended Expenditures	
	Recommended Inc/Exp
INCOME	
Investment/Interest Income	1,500.00
Reserve Income (Transferred from Op)	376,800.00
TOTAL Income	378,300.00
EXPENSES	
Concrete Repair/Replace	10,000.00
Clubhouse Parking Lot Seal/Repair	9,350.00
Landscape Refurbish	99,550.00
Sunrise Monument Replace	35,000.00
Park Wetland Signs Replace	2,010.00
Deer Ridge Fence Replace (Wood - Concrete)	720,000.00
Repair Stain Concrete Fence	37,600.00
Tennis Court Seal/Repair	15,050.00
Basketball Court Seal/Repair	8,700.00
Silverwood Playground Replace	127,000.00
Tanglewood Playground Replace	150,000.00
Southwood Playground Replace	105,000.00
Play Chips Refresh	13,850.00
Retreat Pump 5 Replace	3,550.00
TOTAL Expenses	1,336,660.00

The Sunrise Master Association has a Reserve Study for 2025 that meets the requirements of RCW 64.90.550.

Recommended Reserve Contribution:	<u>\$ 376,800.00</u>
Actual Budgeted Reserve Contribution:	<u>\$ 376,800.00</u>
Shortfall between budet & recommendation:	<u>\$ -</u>
Reserve Study recommended Fully Funded balance:	<u>\$ 3,157,559.00</u>
Actual Reserve Account balace at time of study:	<u>\$ 1,096,822.00</u>
Deficiency in Reserves total:	<u>\$ (2,060,737.00)</u>
Deficiency in Reserves per Class A unit:	<u>\$ (792.00)</u>
Deficiency in Reserves per Class B unit:	<u>\$ (396.00)</u>

A copy of the Sunrise Master Association 2025 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 \$237 per unit, due on April 1, 2025.

	2024 Budget	Per Unit/Mo	2025 Budget	Per Unit/Mo	
Operating Fund					
INCOME					
1 Specific Assessment	105,782.50	18.92	\$ 110,442.00	\$ 19.75	466 Units @ \$237.00
2 TOTAL OPERATING INCOME	105,782.50	18.92			
EXPENSES					
Administrative					
3 Bad Debt/ Doubtful Accounts	4,540.00	0.81	\$ 4,544.66	\$ 0.81	20 homeowners have not yet paid the 2024 Specific Assessment.
4 Admin Expense - EP	2,307.00	0.41	\$ 2,307.00	\$ 0.41	
5 Reserve Study	630.00	0.11	\$ 680.00	\$ 0.12	Three year loyalty plan rate. 2025 will be the second year of a three year plan.
6 Total Administrative	7,477.00	1.34	\$ 7,531.66	\$ 1.35	
Gate					
7 Gate Repairs	10,000.00	1.79	\$ 10,000.00	\$ 1.79	Bi-annual maintenance contract and emergency maintenance projected price for four gates.
8 Gate Telephone	2,250.00	0.40	\$ 2,400.00	\$ 0.43	Increasing by ~3%
9 Gate Code Admin	483.50	0.09	\$ 525.00	\$ 0.09	Projected 5% increase from Gate Program Vendor. Based on actual charge in 2024.
10 Gate Electricity	350.00	0.06	\$ 500.00	\$ 0.09	Looking at a 6.7% increase based on projections of average costs per month.
11 Total Gate	13,083.50	2.34	\$ 13,425.00	\$ 2.40	
Non-Operating					
12 Reserve Contribution	92,400.00	16.52	\$ 94,560.00	\$ 16.91	Per the RS recommendation \$7,880 per month.
13 Total Non-Operating	92,400.00	16.52	\$ 94,560.00	\$ 16.91	
Repairs & Maintenance					
14 Severe Weather	2,500.00	0.45	\$ 2,500.00	\$ 0.45	Calling for an unusually wet and snowy winter.
15 Unexpected Maintenance	500.00	0.09	\$ 500.00	\$ 0.09	Multiple street signs have been knocked down in the last few years.
16 Signage	-	-	\$ 600.00	\$ 0.11	
Total Repairs & Maintenance	3,000.00	0.54	6,100.00	1.09	
TOTAL EXPENSES	115,960.50	20.74	\$ 119,116.66	\$ 18.00	
17 <i>Net Income/Expenses</i>	(10,178.00)		\$ (8,674.66)		
18 Projected Operating Bal Year End	10,178.00		\$ 8,674.66		

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

Recommended Reserve Contribution:	\$ 94,560.00
Actual budgeted Reserve Contribution:	\$ 94,560.00
Shortfall between budget & recommendation:	\$ -
Reserve Study recommended Fully Funded balance:	\$ 94,560.00
Actual Reserve Account balance at time of study:	\$ 163,059.00
Deficiency in Reserves total:	\$ 322,149.00
Deficiency in Reserves per unit (466 units):	\$ 691.31

A copy of the 2025 Emerald Pointe at Sunrise Reserve Study is available on the Sunrise Master Association website at www.sunrisemasterassociation.com

Cambria at Sunrise

2025 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.

	2024 Budget	Per Unit/Mo	2025 Budget	Per Unit/Mo	
Cambria Specific Assessment			\$288		
1 INCOME					
Specific Assessment	26,784.00	24.00	26,784.00	24.00	93 Units at \$288 per unit.
2 Investment/Interest Income	-	-			
3 TOTAL Income	26,784.00	24.00	26,784.00	24.00	
EXPENSES					
Bad Debt/Doubtful	689.00	0.62	500.00	0.45	Based on 2 accounts who have not paid the 2024 Specific Assessment
Reserve Study	620.00	0.56	610.00	0.55	2nd year of Reserve Study Loyalty Program. (3 year cycle)
Storm Drain Maintenance	-	-	2,425.00	2.17	Annual Storm Drain Contract Signed in 2024.
Severe Weather	475.00	0.43	474.00	0.42	De-icing (if not needed will be added to Reserves)
Reserve Contribution	25,000.00	22.40	22,775.00	20.41	Below the recommended funding contribution from the Reserve Specialist.
8 TOTAL Expenses	26,784.00	24.00	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 2025 Reserves Study Funding does not meet the recommendations of the Reserve Study.

Recommended Reserve Contribution:	<u>\$ 29,700.00</u>
Actual Budgeted Reserve Contribution:	<u>\$ 22,775.00</u>
Shortfall between budget & recommendation:	<u>\$ 6,925.00</u>
Reserve Study recommended Fully Funded balance:	<u>\$ 209,864.00</u>
Actual Reserve Account balance at time of study:	<u>\$ 22,946.00</u>
Deficiency in Reserves total:	<u>\$ 186,918.00</u>
Deficiency in Reserves per unit (93 units):	<u>\$ 2,009.87</u>

A copy of the Cambria at Sunrise 2025 Reserve Study is available on the Sunrise Master Association website at www.sunrisemasterassociation.com

www.sunrisemasterassociation.com

**Emerald Pointe West at Sunrise
2025 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 due on April 1, 2025.					
	2024 Budget	Per Unit/Mo	2025 Budget	Per Unit/Mo	
INCOME					
Specific Assessment	9,936.00	11.50	10,080.00	11.67	\$140.00 @ 72 owners
TOTAL INCOME	9,936.00	11.50	10,025.00	11.60	
EXPENSE					
Bad Debt/ Doubtful	240.00	0.28	276.00	0.32	Creates a cushion to offset assessment income that may not be received in 2025. Based on 2 owners who have not paid 2024 Specific Assessment.
Severe Weather	806.00	0.93	734.00	0.85	Snow and Ice removal. Should funds not be used, this will be used as an additional Reserve Contribution.
Reserve Study	790.00	0.91	770.00	0.89	Annual Reserve Study Update. The 2025 RS Update was the 3rd and final year of the 3 year loyalty plan cycle. \$770 is what has been quoted by the current RS Company.
TOTAL OPERATING EXPENSE	1,836.00	2.13	1,780.00		
Non-Operating Expense					
Reserve Contribution	8,100.00	9.38	8,300.00	9.61	\$675 per mo per Reserve Study recommendation
TOTAL EXPENSE	9,936.00	11.50	10,080.00	11.67	
<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:	<u>\$ 8,300.00</u>
Budgeted reserve Contribution:	<u>\$ 8,300.00</u>
Shortfall between budget & recommendation:	<u>\$ -</u>
Reserve Study recommended Fully Funded balance:	<u>\$ 22,053.00</u>
Actual Reserve Account balance at time of study:	<u>\$ 15,100.00</u>
Deficiency in Reserves Total:	<u>\$ 6,953.00</u>
Deficiency in Reserves per Unit (72 units):	<u>\$ 96.57</u>

A copy of the 2025 Emerald Pointe West at Sunrise Reserve Study is available on the Sunrise Master Association website at www.sunrisemasterassociation.com