



Civano I: Neighborhood I Association, Inc.

A Homeowners Association

APPROVED

2017 BUDGET --- NOTES

Civano 1 Covenants, Conditions & Restrictions, and Section 8.2.1.4 – *"The total amount needed to fund the annual budget shall be charged against the Lots or Parcels as Annual Assessments in a manner determined by the Board of Directors."*

Civano 1 Covenants, Conditions & Restrictions, and Section 8.3 – *"The amount of the Annual assessments, Maintenance Assessments and Special Assessments may be established by the Board, in its sole discretion."* Civano 1 Bylaws, Section 7.2.1 - *The Board of Directors has the power to: "Hold and administer the assets and direct, control, manage and supervise business and affairs of the Association."*

Civano 1 Bylaws, Section 7.2.5.1 – *The Board of Directors has the power to: "Establish and collect the amount of Annual and Special Assessments from each Member."*

Income/Revenue

- 3010- Owner Assessments – Monthly dues paid by homeowners. Adopted at **\$78.00** per month per lot.
- 3020- Late Fees – Assessed as appropriate as per Section 8.8 of the CC&Rs and Policy #08-02 (Collections).
- 3050- Rotunda Rental. Special Use fee for groups reserving and using the Rotunda throughout the year.
- 3070- Fines CC&R/Monetary Penalties - For violations that necessitate prior notice and hearing. As authorized by State Statute ARS 33-1803.B, Section 8.10 of the Civano CC&Rs, and Civano Policies #09- 02A and 09-03.
- 3141- Civano Nursery. Annual dues paid by Civano Nursery to Civano 1. Calculated as per CC&Rs, section 8.3 Base fee from line 3010 above x 3 x 3.48 acres
- 3142- Neighborhood Center #162 – Commercial Condominium dues to Civano 1. Calculated as per CC&Rs, section 8.3 Base fee from line 3010 above x 6 x 0.873 acres, less 26% (26% = Rotunda building owned by Civano 1)
- 3143- School Use Fee – Fee received from Civano School for use of pool and ball-field-**No longer in the Budget**
- 3144- Garden Fees. Monthly rental income from residents for garden plots.
- 3145 - Block A - Annual dues paid by Spectrum/Block A owner to Civano 1. (Calculated as per CC&Rs, section 8.3. Base fee from line 3010 above x 3 x 2.02 acres)
- 3180- Interest Earned- Estimated interest from operating account.
- 3990- Bad Debt – Provision for any assessment loss of income via bankruptcy or foreclosure.

Fixed Expenses

- **4010- Property Taxes** – The Association pays a fixed amount for each of its common area parcels.
- **4011- Reserve Fund Contribution** - An annual amount designated for transfer to a specific Replacement Reserve account- a fund established to replace existing physical assets when their useful lives expire. To be held in a separate bank account.

- **4012- (AIF) Capital Fund Contribution-** An amount designated for transfer to a specific fund for the purchase or acquisition of new capital components or major capital improvements, as per an established policy.
- **4015- ACC Report** -The required annual filing of a report to the Arizona Corporate Commission.
- **4020- Income taxes** –The Association will pay tax on non-operating, i.e. income that is not dues or required assessments, such as facility keys and bank account interest.
- **4030- Insurance** –Association insurance required as per Article 15 of the CC&Rs. Includes general liability, D&O, and property insurance. Current premium is locked in for a three-year period through to 07/15/18 unless coverage is increased or new assets are added.
- **4040- Backflow Prevention Testing** - Required annual testing of 6 backflow devices. Locations: 5309 S. Civano (3) - Sept; 5287 S. Richard Ashley - February; 10452 E. Taupe - February; 10574 E. Cerulean - June.

Utilities

- **4110- Electric-** The following accounts are water meter locations in common areas excluding the Rotunda building and Commercial Condominium meters.
 - Acct#0488323532, meter# XH-581069
 - Acct#0639692759, meter# XH-581065
 - Acct#0817458729 , meter# XH-581070
 - Acct#1042852792, meter# XH-157159
 - Acct# I 139398245, meter# XH-581064
 - Acct#3656128472, meter # XH-519310
 - Acct#6404478676, meter# XH-581060
 - Acct#7080044291, meter# XM-5415
 - Acct#2723404002, meter# XH-549731, XH-549996, XH-550003, XH-550059, XH-549721, XH-550001
- **4120- Water-** Separate supply lines for effluent and potable water, and distinct cost centers. For landscaped and boulevard areas and for public areas. Excludes Rotunda building and Commercial Condominium area. Account and meter numbers as follows.
 - Acct# 473187-466508, meter# 99752288
 - Acct# 473187-448484, meter# 19895785
 - Acct# 473187-448486, meter# 19895783
 - Acct# 473187-448490, meter# 98473761
 - Acct# 473187-475954, meter# 16233911
 - Acct# 473187-485886, meter# 05032433
 - Acct# 473187-485888, meter# 16070572
 - Acct# 473187-485890, meter# 11516838
 - Acct# 473187-498048, meter# 11542794
 - Acct# 473187-498050, meter# 11542795
 - Acct# 473187-511680, meter# 58847134
 - Acct# 473187-541018, meter# 13885181
 - Acct# 473187-541022, meter# 13885207
 - Acct# 473187-596192, meter# 07049770
 - Acct# 744441-511680, meter# 12507643
 - Acct# 540125-445148, meter# 98568863
 - Acct# 540125-445720, meter# 98568861
 - Acct# 540125-447916, meter# 44238953

Acct# 719869-445724, meter# 98568862
Acct# 719869-445726, meter# 98568827
Acct# 1049973-603158, no meters service-refuse

- **4121- Water - Garden Account** - This is the water meter that serves the community garden. Account#473187-508404, meter# 1555377. To be paid from the Garden income account #3144.

Operating Expenses

- **4205- Pest Control** -For buildings and restrooms.
- **4210- Lighting Supplies/Maint.** - All lighting supplies besides Rotunda and Commercial building.
- **4215 -Street Sweeping**- Clean-up of streets. Sweep machine is hired for this work.
- **4225- Vandalism**- Deliberately mischievous or malicious destruction or damage of property. (i.e. common areas that do not include Rotunda and pools)

General Repairs & Maintenance

- **4305- General Repairs & Maintenance** –Repairs to pool compound structures, fences, doors, fences, gates, and buildings. General plumbing, electric, minor masonry/concrete work. Excludes Rotunda building and Commercial Condominium area and excludes any plumbing repairs at pools.
- **4310- Miscellaneous Supplies** –To cover unforeseen items not provided for above, and to provide contingency.
- **4315- Sign Maint.** - General signage in the common areas, excluding Rotunda building.
- **4360- Garden Supplies**- Any supplies for Garden to be paid from the Garden account revenue incurred in 3144 above.
- **4365- Garden Maint.** - Any maintenance for Garden to be paid from this account up to \$1000.00 anything above this amount shall come from revenue incurred in 3144 above.

Pool Expenses

- **4510- Pool Maintenance Contract** –A monthly maintenance contract for pool water quality monitoring and equipment upkeep.
- **4520- Pool Chemicals/Supplies** –Separate from base contract. Largely reflects cost of pool chemicals, but also includes skimmer covers, baskets, safety items, handrails, small parts for repair work.
- **4521- Non Contract Pool**- Labor for emergency work outside scope of the base contract. i.e., special requests, etc.
- **4522- Pool Keys** - Purchase of pool gate keys by owners to replace existing.
- **4530- Janitorial Services**- Portion of the janitorial contract costs that may be attributed specifically to pool areas, trash pick-up, restroom cleaning, etc. Calculated at 40% of the total monthly janitorial service bill.
Janitorial Supplies-Janitorial supplies specifically for pool restrooms –toilet paper, handwipes, cleaning supplies.
- **4560- Permits** –Required permits by the County for pool operation.
- **4565- Pool Security/Alarms**- On-call alarm system for pools.
- **4570- Phone** - Qwest phone line for security alarms at the pool-houses. Only available vendor.
- **4575- Pool Gate Repairs** –Repairs specifically for the pool gates, which may include gate electronic card readers.
- **4580- Pool Repairs** –Shower, toilet and piping repairs necessary, specifically at pool houses. Also grouting, solar repairs etc.

- **4585 - Vandalism-** Deliberately mischievous or malicious destruction or damage of property. (i.e. pool areas only not to include Common areas and Rotunda)

Landscaping

- **4605- Landscape Contract** – "Base contract for landscape service provides for three (3) full time maintenance workers trained in tree pruning, landscape maintenance, and irrigation repairs. The maintenance crew is responsible for upkeep and appearance of 1.2 million sq ft of landscaped area including; 21 finger ways, the linear parkway, the east/west connector, the pruning and removal of bean pods from 2,280 trees, the maintenance of approximately 8,500 shrubs, and weekly care of over 3 acres of lawn. The base contract price includes off-site removal of all tree trimmings approximately 1,100 cu yds, all fertilizer, herbicides, and perennial rye grass seed needed for over seeding.
- **4615- Irrigation Repairs** -Needed repairs to any irrigation components.
- **4670- Landscape Non Contract** –Labor for emergency work outside scope of the base contract, such as storm damage clean-up, root pruning, special requests,etc. **Plant Replacement** –Provides for plant and shrub replacement during the year, as needed.

Administrative Expenses

- **4705- Accounting/Tax Preparation** –Annual tax preparation and completion of a review of the 2010 annual financials as required under ARS Section 33-1810.
- **4710- Management Fee** – This comprises 1) an annual contract based upon \$4/home/month covering full financial service, supervision from agent's main office, training, and general management support; and 2) on-site staff wages which includes FICA, Unemployment and Work Comp costs.
- **4715- Postage-General/Newsletter** –Postage for letters, homeowner billings, postage meter rental, delinquency notices, general announcements, meetings etc. Mailings for the newsletter through the year. Based upon quarterly newsletter production, with efforts to send via e-mail for owners who request in an attempt to reduce cost.
- **4720- Copies** –Refers only to copies produced off-site as needed. As per Attachment A of the Management Contract.
- **4725- Coupon books** – Specific cost of coupon books for monthly assessment payment by owners. Bill paid each January. Calculated at total homes as of 1/1/12 plus expected home closings and builder sales throughout the year.
- **4733- Election Expense-** All expenses associated with the election process, which includes postage and printing.
- **4735- Legal Fees** –Costs relating to general counsel.
- **4737 – General Legal matters** - Legal costs incurred for authorizing counsel to take action on any matter.
- **4745- Office Supplies** –Stationery, folders, maps, office items for on-site office.
- **4750- Banking Supplies** –Minimal provision
- **4755- Meeting Expenses** –Cost of securing room for meetings throughout the year, if needed, or other incidental meeting expenses, town hall meetings, etc...
- **4760- Newsletter/Printing** –Printing costs for letterhead, envelopes, general mailings, notices, billings, etc. Cost specifically for printing of newsletter (quarterly).
- **4770- Committee Expenses** –Miscellaneous supplies or materials to support committee work & doggie bags for Responsible Pet Committee.
- **4771- Community Activities** –To support community social activities and events that are held during the year.

- **4780- Website/Computer Expenses- Miscellaneous costs** or purchases for maintaining the Civano 1 website and software.
- **4782-Design Review Committee** -Costs incurred by the Committee.
- **4790- Miscellaneous** –To cover unforeseen administrative items not provided for above, and to provide admin contingency. (i.e. Big maps, plans, design plans reproduction, shipping costs.)
- **4792- Reserve Study-** Cost associated with the review of the current Reserve Study by a professional.

Rotunda Building

- **4805- Electric Condominium.** Civano 1 pays 26% of the shared electric meter that serves the common areas of the Commercial Condominium.
Acct#I097529154, meter # TR9-9577.
- **4810- Electric - Rotunda** –The Rotunda building has a separate designated meter.
Acct#3203684327, meter #SC16-12214
- **4815- Chiller Maintenance** —Civano I proportionate share of repairs or service costs for the Commercial Condominium central heating/cooling system. Separate from the HVAC quarterly maintenance indicated below. Calculated upon occupied sq. ft. of total condominium.
- **4820- Gas** - Calculated upon occupied sq. ft. of total condominium.
Acct#361-3463966-003, meter# 02 59613561 5309
- **4825- Water**–Civano 1 pays its share of the following meters as part of the Commercial Condominium:
Acct#I046639-444366, meter #'s 98520742 and 98473757 = 26%.
Acct# 1046639-444364, meter# 98105207 = 100% of the fire protection portion and 62% for water/sewer portion (based upon sq. ft.)
- **4830- Plumbing Repairs-**
- **4835- Cable/Internet**–Cable service to the Rotunda building and office.
- **4840- Cox Cable TV** –Cox cable and internet service to the Rotunda building and office.
Acct#OOI8410191488801.
- **4845- HVAC Maintenance/Repair** –A maintenance program is in place to ensure proper operation of the heating/cooling system equipment located within the Rotunda building envelope. Cost includes base service plus any required additional work.
- **4850- Fire Inspection** –Annual inspection and service for the Rotunda building fire alarm system, as required by code.
- **4855- Sprinkler Protection** –Annual required sprinkler system inspection and maintenance, a part of which is common to the Commercial Condominium.
- **4860- Backflow Testing** –Civano I's share of the backflow testing cost as a member and common expense of the Commercial Condominium (2 backflows).
- **4865- Landscape Maintenance** –Civano I's member share of the cost of maintaining the landscape around its building (26%) as a common expense of the Commercial Condominium.
- **4870- HOA phone** –Phone lines to the HOA office.
- **4875- General & Maintenance Rotunda Building** –Provision for miscellaneous repairs and maintenance such as plumbing & electric repairs, doors, windows, hardware, fixtures, minor improvements and purchases.
- **4880- Janitorial** - Portion of the janitorial contract costs that may be attributed specifically to Rotunda building. Calculated at 60% of the total monthly janitorial service bill.